

**22 SUSPECTS IN JEWISH TERRORIST GANG  
BEGIN TRIAL WITH SUPPORTERS CLAIMING  
MEDIA 'INCITEMENT', 'SMEAR CAMPAIGN'**  
By Gil Sedan

JERUSALEM, June 17 (JTA) -- Twenty-two suspected members of a Jewish terrorist underground went on trial in a Jerusalem district court today. Six are charged with the murder of three Arab students at the Islamic College in Hebron in July, 1983 and all face various counts of attempted murder, acts of violence and planned acts of violence against Arabs on the West Bank and East Jerusalem.

Of the original 27 suspects indicted on a variety of charges, two were convicted last Thursday after confessing to lesser offenses. They are Gilad Peli, 31, of Moshav Keshet on the Golan Heights and Yosef Zuria, 25, of Ramat Hasharon, the only one of the defendants who lives in Israel proper.

Two army officers, Maj. Shlomo Levytan and Capt. Ronni Gilla, pleaded not guilty to charges of complicity in the June, 1980 car bombings that maimed two West Bank Arab mayors. They will be tried separately. Another suspect, Noam Yinnon of Moshav Keshet, has already been sentenced to 18 months in prison at a separate trial. He pleaded guilty to illegal possession of explosives and transporting explosives, in exchange for which the State dropped charges of attempted murder.

**Emotion-Charged Atmosphere**

Today's proceedings began in an emotion-charged atmosphere. The small court room was packed with family and friends of the accused. The latter charged the media with a "wild smear campaign" and "incitement," claiming that this precluded a fair trial. One defense lawyer demanded that the case be dismissed for that reason alone. Others asked for a postponement. Chief prosecutor Dorit Beinisch said she had no objections to a postponement until after the summer recess which would delay the trial until after the July 23 Knesset elections. The judge said he would rule on the motion at a later date.

Near pandemonium broke out even before the judge entered the courtroom today when relatives of the accused objected to the presence of an Arab lawyer, Ali Sabri. He represents former Mayor Bassam Shaka of Nablus, who lost both legs in the 1980 car bombing. Sabri was given permission to attend the trial as an observer because Shaka is considering a damage suit against the parties responsible for booby-trapping his car.

Relatives of the accused demanded the removal of the "representative of the PLO" and this was put in the form of a motion by defense counsel Yosef Yeshurun. It was rejected by Judge Yaacov Bazak who noted that this is an open trial. Some of the angry spectators walked out, shouting that they would "not sit in the same courtroom with the PLO."

Otherwise, the proceedings were relatively quiet. Most of the first session was devoted to technical presentations and requests by the defense.

The cases of Peli and Zuria were disposed of quickly last Thursday as a result of their plea bargaining. Peli was convicted on charges of membership in a terrorist organization. He pleaded guilty in addition, to three counts of conspiracy which included conspiracy to cause grievous bodily harm and to attack the Dome of the Rock

and the Al Aksa Mosque, two Islamic shrines on the Temple Mount in East Jerusalem. He also pleaded guilty to illegal possession and transportation of weapons and damaging army property.

Peli is expected to be sentenced on Thursday. The count of terrorism alone carries a maximum sentence of 20 years imprisonment. The original charge of attempted murder was dropped. His lawyer stressed to the court that Peli did not participate in terrorist activities although he was involved in the preparations for the planned assault on the Temple Mount and the attacks on Mayors Shaka and Karim Khalaf of Ramallah four years ago.

Peli, a secular Jew who turned to religion after the 1973 Yom Kippur War, told the court that his actions stemmed from a deep conviction that he was serving the best interests of his country and people. He expressed remorse only for having stolen weapons from the Israel Defense Force. Peli is married, the father of two children. He joined Moshav Keshet on the Golan Heights after the 1973 war and worked in the local school.

Zuria was convicted of conspiracy to attack the Temple Mount, illegal possession of arms and aggravated fraud, to all of which he confessed. Impersonating an army officer, he had conducted surveillance on the Temple Mount and purchased eight silencers for Uzi submachineguns which were to be used in the attack on the Dome of the Rock.

He is the son of Haim Zuria of Shavei Shomron on the West Bank and had lived in Ofra on the West Bank until two years ago when he married Anat Shalev, daughter of Avner Shalev, a senior official of the Ministry of Education and Culture and a former chief education officer of the IDF. After his marriage, he moved to Ramat Hasharon in Israel. He studied mathematics and computer science at Bar Ilan University. Zuria's wife gave birth to a daughter two weeks ago. He has been in custody and has not yet seen the child.

**5 ISRAELI SOLDIERS INJURED  
WHEN BOOBY TRAPPED CAR EXPLODES**  
By Hugh Orgel

TEL AVIV, June 17 (JTA) -- Five Israeli soldiers were injured in south Lebanon yesterday, none seriously, when a booby-trapped car exploded as it passed their convoy on the coast road less than a mile south of the Zaharani River. Two terrorist groups claimed credit.

The car, described as a large black Mercedes, may have been driven by a suicide commando or may have collided with one of the three armored personnel carriers that made up the convoy. One was being towed to a repair base by another and the third, the lead vehicle, was guarding the two. Mortar shells were found in the wrecked Mercedes.

According to Beirut radio, credit for the incident was claimed by a hitherto unknown group called Jabr Amal. In a later announcement the Lebanon Resistance Movement took responsibility, claiming that the car was driven by a 17 year-old suicide volunteer.

**JERUSALEM CONFERENCE TO FOCUS  
ATTENTION ON JEWISH EDUCATION**  
By Gil Sedan

JERUSALEM, June 17 (JTA) -- "There will be a minimum of ceremonies and a relative large number of working sessions" at the World Leadership Conference for Jewish Education which opens here tomorrow, according

to Morton Mandel, the conference chairman. The gathering will be attended by about 160 delegates from abroad and 50 Israelis. Most of the participants are community leaders; only a quarter of them are professional educators. The conference, being convened by Premier Yitzhak Shamir, Education Minister Zorun Hammer and Leon Dulzin, chairman of the Jewish Agency and World Zionist Organization Executives, will concentrate on the survival of Jewry in a secular age when assimilation and inter-marriage are rampant.

"Our main aim is to raise interest in the subject (Jewish education) among those who until now have been standing afar," Dulzin said at a press conference here today. The survival of the Jewish people is the issue, he declared. "Today, more than ever in the past, the Jewish people are aware that it faces a real danger."

**Central Issue**

Dulzin noted the increasing number of mixed marriages. More Jews are drifting away, he said and "therefore, it is time to place Jewish education as the central issue." He recalled that "In the past, the Jew was protected as a Jew. The Jews lived among other nations, but they lived within themselves. The Jewish world was predominantly religious. In order to pass the border, one had to convert to another religion."

"Today, the world is open and secular. Most Jews lead a secular life and one doesn't need to convert, one simply drifts away from Judaism," Dulzin said. "Suddenly we have realized that we are facing a danger, that we are far away from what we ought to be. This will be a conference of a loud cry to preserve the existence of the Jewish people, to be followed by action."

Mandel observed that the emphasis on working sessions promises to lead to some positive action to improve Jewish education.

Prof. Uzi Schmelz of the Institute of Contemporary Jewry at the Hebrew University told the press conference that diaspora Jewry is facing a grave crisis. The number of Jews living in the diaspora has decreased from 10.2 million in 1970 to 9.6 million now, a loss of 600,000 Jews. He said three factors are responsible: low natural growth; assimilation; and the aging of the Jewish population.

Schmelz said Jews have fewer children than their non-Jewish neighbors. Most mixed marriages do not involve religious conversion by either partner, he said. "The problem arises with the children."

**Low Percentage Receive Jewish Education**

The Institute of Contemporary Jewry recently completed an international census of Jewish schools in the diaspora, the first of its kind. It covered 3,535 institutions, including day schools and supplementary schools at all levels, from pre-kindergarten through high school. A total of 535,000 Jewish pupils were covered by the study, 69 percent of them living in the U.S.

The census showed that in the early 1980s, 37-41 percent of all Jewish children aged 3-17 were enrolled in Jewish schools in diaspora. If the Soviet Union and other Eastern bloc countries are excluded, the proportion rises to 41-45 percent.

The rates vary from over 70 percent in the smaller Latin American communities; over 60 percent in Argentina, South Africa and Australia; between 45-55 percent in the United Kingdom, Canada and Brazil; between 40-45 percent in the U.S. and in the

small communities in Moslem countries; and under 40 percent in Western Europe. Of the major Jewish communities there, France, with the largest Jewish community, has only 25 percent of its children enrolled in Jewish schools.

**INFLATION KEEPS GOING UP**

By Gil Sedan

JERUSALEM, June 17 (JTA) -- Runaway inflation broke into a gallop last month when the cost-of-living index soared by 14.3 percent, a higher rate than even the most pessimistic forecasters had projected.

The government had expected a maximum rise of 12 percent and made strenuous efforts during the past few weeks to keep a lid on prices -- but to no avail. Had the consumer price index gone up less than 12 percent, cost-of-living increments for May would have amounted to 4.5 percent. Given the sharp rise, wage-earners will receive a 14.1 percent pay hike with their June salaries.

The CPI rose by 300 percent during the last 12 months. The annual inflation rate for 1984 is now projected at about 400 percent.

**ARMY PLAYING DOWN ISRAEL EXCHANGE OF FIRE WITH SYRIA**

By Hugh Orgel

TEL AVIV, June 17 (JTA) -- Army spokesmen are playing down an incident last Thursday night during which Israel Defense Force tanks exchanged fire with Syrian forces in the eastern sector of the front in Lebanon for about two hours.

The tanks opened fire to extricate an IDF patrol pinned down by Syrian fire near the village of Kafir Kuk. There were no Israeli casualties and the incident was a "local affair," the IDF spokesmen said. They said there were no signs that the Syrians wanted to engage Israel anywhere along the front.

Meanwhile, the Israel-backed South Lebanon Army (SLA) has exposed a hostile organization operating out of a village in south Lebanon and arrested several of the villagers, including a local leader, Sheikh Abd El-Karim, an IDF spokesman reported Friday. They were said to have confessed to a series of attacks on the IDF and the SLA, directed by El-Karim.

SLA forces fatally shot two terrorists Friday when they were fired on from ambush near Jezzine village in south Lebanon.

**ARAFAT EXPECTED TO MEET DE CUELLAR**

By Tamar Levy

GENEVA, June 17 (JTA) -- United Nations Secretary General Javier Perez de Cuellar will meet Palestine Liberation Organization chief Yasir Arafat in Geneva next month, the UN office here announced. De Cuellar will be attending the opening of the UN Economic and Social Council (ECOSOC) conference early in July and will also be here for the conference on African refugees which opens July 20.

It is not known which of the two meetings will be attended by Arafat. He was in Rome last week for the funeral of Italian Communist Party leader Enrico Berlinguer and used the occasion for meetings with the Italian President, Sandro Pertini and Foreign Minister Giulio Andreotti. He also reportedly sought another meeting with Pope John Paul II but the latter was in Switzerland at the time on an apostolic visit which included a meeting with representatives of the Swiss Jewish community. Arafat made the front pages of Rome newspapers when he was photographed wearing his Colt handgun. Il Giornale Nuovo remarked that he is "the only terrorist in Italy who is licensed to bear arms."

## ISRAELIS TURN TO JORDAN, LEBANON FOR TV AS JOURNALISTS STAGE STRIKE

By Hugh Orgel

TEL AVIV, June 17 (JTA) — Television screens went dark and radios were silenced at midnight Friday as journalists employed by the State-owned Broadcast Authority began a three day strike for higher wages.

They are demanding immediate negotiations for new contracts to bring their pay in line with that of print journalists. If not satisfied, the newscasters have threatened to black out political broadcasts in the July 23 Knesset election campaign which is expected to be in full swing shortly. They have also threatened, if necessary, to prevent Israeli coverage of the Olympic Games in Los Angeles which begin next month.

The Journalists Association said today that it would take action against newscasters employed by the army radio station which has been broadcasting expanded news bulletins since Israel Radio went off the air. But the Association agreed to broadcast news briefs over the Sabbath when no newspapers appear.

Israelis were not entirely without entertainment. Television viewers with special antennas watched programs from Jordan and Lebanon. News reports from abroad were relayed by both army radio and Abie Nathan's "Voice of Peace" ship, the "pirate" radio station anchored off Tel Aviv, just outside territorial waters.

## ISRAEL-IRANIAN MEETING DENIED

By Gil Sedan

JERUSALEM, June 17 (JTA) — Israeli officials denied today any knowledge of a reported meeting in Paris between representatives of Israel and Iran. The meeting took place at the Swiss Embassy in Paris, according to the unconfirmed foreign news reports.

Cabinet Secretary Michael Nir said the report apparently referred to a meeting three years ago which was followed by Israeli arms sales to Iran. Official sources here said there have been no arms deals between Israel and Iran for at least two-and-a-half years.

Defense Minister Moshe Arens denied that Israel was selling weapons to Iran when he was in Washington late last month. The issue arose after former Defense Minister Ariel Sharon claimed, during an earlier visit to Washington, that Israel and Iran had concluded some deals involving military hardware for strategic reasons. But Sharon later confirmed that there had been no such deals between the countries since 1982.

Iran has been at war with Iraq for the past four years. The Army Radio said today that a contract had been signed between Israelis and an Iranian company for the repair by the Israelis of the engines of Iranian civilian aircraft. But that arrangement was made while the Shah still ruled Iran.

After the Shah was deposed by the Ayatollah Ruhollah Khomeini in 1979, the Army Radio said, the Iranian company asked the Swiss authorities who represent Iranian interests in Israel, to arrange a meeting for the implementation of the earlier contract. That meeting took place three years ago and apparently was the meeting to which the latest reports referred.

## 3 U.S. AIRMEN DIE IN SINAI CRASH

TEL AVIV, June 17 (JTA) — Three U.S. Army airmen were killed in the Sinai on Friday when their

helicopter crashed on a routine maintenance flight, the multinational force spokesman announced here. He said the helicopter crashed about 9 miles inland from the Red Sea, in flat terrain 11 miles north of Sharm El-Sheikh. He said an investigation has been launched into the cause of the crash.

## JEWS SLIGHTED AT BUCHENWALD MEMORIAL

By David Kantor

BONN, June 17 (JTA) — The impressive memorial of the former concentration camp of Buchenwald is situated on a hill overlooking large parts of Thuringia, including the town of Weimar and Erfurt, and large Soviet military bases just a few kilometers away.

It is well known for its famous Alle der Nationen, or Avenue of the Nations, in which all the peoples whose members had suffered here are supposed to be represented. All but the Jews — who have no avenue of their own here.

An East German official guide explained that, according to the thinking prevailing in East Germany, the Jews are parts of the nations in which they live, and do not necessarily form a nation of their own. He added that at the time when the killings in Buchenwald occurred, Israel did not exist, so there was no point in including it in the memorial.

However, he added, the Jewish victims of Buchenwald are being mentioned in a separate, small memorial not far from the Avenue of the Nations.

Further downhill there is a museum which puts an emphasis on "Communists and anti-Fascist" victims of the Nazis. The Jewish victims are only negligibly mentioned.

## WHAT'S IN A NAME? FRENCH CITY FINDS OUT

By Edwin Eytan

PARIS, June 17 (JTA) — A French city changed the name of one of its streets three days after having it renamed. The Alencon municipal council unanimously voted to name one of its main avenues after a locally born chemist, Georges Claude, one of the inventors of the industrial production of liquid air and ammonia.

Two days later several Jewish and former resistance fighters organizations called on the Mayor to protest saying Claude had been during the German occupation of France a notorious Nazi collaborator. The council then just as unanimously decided to change the street's name once again.

The council is due to meet before the end of the month to try and find a new name. "This time we shall carefully study the list of possible candidates we want to honor," a city spokesman said.

## MAJOR DRUG HAUL IN TEL AVIV

By Hugh Orgel

TEL AVIV, June 17 (JTA) — Tel Aviv police made one of the largest drug hauls in Israel's history last week when they seized a truck, just arrived from Lebanon and found two-and-a-half tons of hashish with a street value of over \$2 million. Four members of a Jaffa family which own the truck were detained.

Acting apparently on a tip, the police surrounded the truck which had been hired by the Defense Ministry for construction work in south Lebanon. They dug through its cargo of sand to find scores of nylon bags filled with hashish.

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GENEVA (JTA) — According to the Swiss Radio, the German neo-Nazi activist Michael Kuhnen had succeeded in setting up in Switzerland a cell of neo-Nazi movement, the National Socialist Front.

## FROM GARLIC TO ROSES TO CLOTHES, FEAR EXPRESSED ABOUT COMPETITION IF ISRAEL GIVEN FREE TRADE STATUS

By Helen Silver

WASHINGTON, June 17 (JTA) — Opponents to the proposed United States-Israel free trade area (FTA) joined forces on Capitol Hill last week in two days of testimony before the subcommittee on trade of the House Ways and Means Committee to voice their fears that such an agreement might disrupt American markets and create unemployment and displacement through competition from Israeli duty-free products.

These were the final set of hearings before the House subcommittee chaired by Rep. Sam Gibbons (D. Fla.). Last month the Senate Finance Committee headed by Sen. Robert Dole (R. Kans.) approved a free trade area bill.

Representatives of Florida citrus growers, American fruit and vegetable growers, California tomato packers, onion and garlic growers of Nevada, rose growers, and textile and apparel manufacturers were among those who expressed doubts that the FTA would be beneficial to the U.S. as well as Israel.

Robert Keeney, vice president, government relations, United Fruit and Vegetable Association, stated that United "opposes the FTA as long as trade sensitive fresh fruit and vegetables are included in the agreement." He added, "We are of the opinion that duty free status for all Israeli fruits and vegetables could adversely affect several segments of our industry without providing a significant opportunity for increased trade for our products in Israel."

### Israeli Agricultural Exports Cited

Keeney predicted that there will be "no significant opportunity for the U.S. fresh fruit and vegetable industry to market its products in Israel. Last year one metric ton of fresh produce in the form of beans was exported to Israel at a value of only \$775. On the other hand, we imported from Israel in 1983 about 1,600 metric tons valued at approximately \$1.5 million."

He cited as one reason for this lack of trade, Israel's self-sufficient horticultural production which it has to export to world markets. During 1981-82, Israel exported 66 percent of its celery, 35 percent of its melons, 46 percent of its oranges, 28 percent of its grapefruit, 41 percent of its lemons, 82 percent of its avocados, and 21 percent of its carrots.

Three members of Congress from Western states expressed their fears that removing tariffs from Israeli products that have been subsidized by the Israeli government such as olives, tomatoes, onions, and garlic, would result in unfair competition to U.S. products. The recent large increase in the importing of Israeli tomato products to the U.S. was cited as a threat to the U.S. tomato growing and processing industry.

Rep. William Thomas (R. Cal.) voiced his concern that other countries such as Mexico, Brazil, and Chile would also want to obtain similar FTA agreements. Gibbons said his committee will visit Israel and investigate the question of Israeli subsidies before this bill is voted upon.

### Benefits To U.S. Stressed

Representatives of American Jewish organizations sought to allay the fears of the trade representatives and Congressmen by pointing out the more positive aspects the FTA would create. Alfred Moses, chairman, National Executive Council, American Jewish Committee, stated, "The AJC is convinced that the pas-

sage of this bill and the actual implementation of the agreement will be of benefit both to the United States and Israel for the following reasons: "The proposed FTA will open new export opportunities for U.S. manufacturers; provide Israel with an opportunity to reduce her balance of payments deficit to the U.S.; open new research and development opportunities for U.S. companies in Israel; provide new opportunities for U.S. companies operating their plants in Israel to sell their products in Europe."

Moses contended that the FTA will not adversely affect U.S. jobs. On the contrary, he maintained that the FTA will add jobs for Americans by increasing opportunities for the export of U.S. products to Israel. "U.S. manufacturers will be able to sell more products — employing more workers in the U.S. — as a result of sales in EEC countries of Israeli products containing U.S. origin materials," Moses stated.

He added, "There will be an expansion of products made in the U.S. using new technologies developed as a result of R&D work in Israel."

Moses concluded, "Israel is not a low labor-cost country. The Israeli-made products that will benefit from the proposed FTA will be in the high technology field and will not impact the smoke stack industries here at home that are still experiencing the downward effects of the recent recession."

"By establishing a free trade area, we will be taking a step toward strengthening a key ally in the Middle East, helping a developing democratic nation become more economically independent, strengthening U.S.-Israeli relations, and helping the U.S. economy," Moses stressed.

### Help U.S. Meet EEC Competition

E. Jay Finkel, a Washington attorney, spoke to the subcommittee on behalf of the Zionist Organization of America, saying, "ZOA believes such an arrangement to be a logical and desirable extension of one of the United States' most important international relationships."

One of the economic advantages to the U.S. would be that the FTA would prevent the U.S. from "being disadvantaged vis-a-vis common market suppliers. Roughly 40-45 percent of the U.S. exports to Israel are now subject to Israeli import duties which average slightly over ten percent," Finkel said.

"Since 1975, however, Israel has been phasing in a free trade area arrangement with the EEC. That phase-in is approaching completion with respect to manufacturers, so that in the near future, EEC exporters will face no tariff barriers in Israel," Finkel explained. "Unless the U.S. enters into a comparable free trade area arrangement, U.S. exporters of goods to Israel who are otherwise as efficient as their EEC counterparts will nevertheless suffer because they will be facing an Israeli tariff," he added.

Finkel pointed out that increased two-way trade within a U.S.-Israel FTA will inevitably open further possibilities for U.S. companies to join with Israeli companies in profitable joint ventures. Opening new opportunities in third markets. "Because Israel would occupy a unique position as the common member of both free trade areas — the U.S. and the EEC — U.S. access to European markets could be enhanced," Finkel emphasized.

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TEL AVIV (JTA) — Israeli industries have received orders from the U.S. totalling \$1 billion to offset the large defense purchases Israel has made in the U.S., Defense Minister Moshe Arens said here.