

# **INNER CABINET DECIDES TO RELEASE 300 SHIITE PRISONERS WITHIN 48 HOURS, REST TO GO WITHIN WEEKS** By Gil Sedan and Hugh Orgel

**JERUSALEM, July 1 (JTA) —** The 10 member Inner Cabinet decided at a meeting today that 300 of the 735 Shiite Moslems held prisoner in the Atlit detention camp would be released within the next 48 hours, Israel Radio reported. There was no official statement by the Inner Cabinet which consists of five Labor and five Likud senior ministers.

Israel has insisted repeatedly over the past two weeks that its planned, phased release of the Shiites, captured in Lebanon, was in no way linked to the American hostage crisis in Beirut. According to officials here, the 300 Shiites would have been freed earlier had it not been for the hijacking of TWA Flight 847 on June 14 and the taking of hostages. The 39 American hostages were released yesterday.

It was assumed here that the remaining 450 Shiite detainees will be sent back to Lebanon during the next few weeks.

The official line in both Jerusalem and Washington is that no "deal" or promises were made to the hijackers for the release of the Americans. Premier Shimon Peres today praised President Reagan for his handling of the hostage crisis. He said he was very happy to learn that the Americans had left the "uncertain land" of Lebanon. He added that the dangers of terrorism would continue to be confronted in a determined manner.

## **BUSH URGES STRONGER INTERNATIONAL COOPERATION TO COMBAT TERRORISM** By Edwin Eytan

**PARIS, July 1 (JTA) —** Vice President George Bush urged stronger international cooperation to fight terrorism today, especially Franco-American cooperation. The Vice President spoke after returning from Frankfurt, West Germany where he greeted the 39 American hostages flown there from Damascus last night following their release in Beirut yesterday.

Bush, who interrupted an official visit to France to go to Frankfurt, conferred here today with Defense Minister Charles Hernu and Foreign Minister Roland Dumas and also had a meeting with Premier Laurent Fabius.

At a luncheon at the Foreign Ministry, Bush repeated President Reagan's pledge that "we are steadfastly refusing to make any deals with terrorism." He proposed a toast to world cooperation to combat terrorism and aerial hijackings.

Bush noted that seven Americans and four French nationals are still held hostage in Beirut by Shiite Moslem extremists who kidnapped them off the streets of Beirut long before the hijacking of TWA Flight 847 on June 14. Nabih Berri, leader of the Shiite militia Amal, has promised to secure the release of two of the French hostages who were kidnapped on May 22, one of them a Jewish journalist, Jean-Paul Kauffman, but only after Israel frees the 735 Leban-

ese Shiites it holds prisoner in the Atlit detention camp. Kauffman's wife said she was going to Israel to lobby for the release of the Shiites "in order to obtain my husband's freedom." The other Frenchman, sociologist Jean-Michel Seurat, is not Jewish.

The 39 American hostages freed yesterday include four men who were separated from the rest of the hostages shortly after the hijacking reportedly because they had "Jewish-sounding" names.

They were held separately from the others, reportedly by Shiite extremists who initially were not amenable to the mediating efforts of Berri. Great concern was expressed for their fate and anger was aroused in the American Jewish community some of whose leaders likened the separation to the selection of Jews for the gas chambers in Nazi death camps.

As it turned out, only two of the hijacked passengers with "Jewish-sounding" names are Jewish — Michael Brown, 27, of North Miami Beach, Fla. and Richard Herzberg, 33, of Norfolk, Va. A third, Robert Trautmann Jr., 37 of Laredo, Texas, is not Jewish. The fourth, Jeffrey Ingalls, 24, of Virginia Beach, Va., was separated because he served in the U.S. Navy, not because of his name.

## **CIGARETTE SHORTAGE OVER — ALMOST** By Hugh Orgel

**TEL AVIV, July 1 (JTA) —** The Dubek Co., which has a monopoly on domestic tobacco products, announced today it will end its week-long lock-out because the government's emergency economic program will allow it to raise the price of cigarettes substantially. Dubek shut down because it said it was losing money under the old price ceiling. But for smokers who suffered when the tobacco shelves were empty the ordeal has not ended. The distributors said they would continue to withhold supplies until Dubek upped their commissions.

## **CABINET ADOPTS ECONOMIC PROGRAM, HISTADRUT CALLS 24-HOUR STRIKE** By Gil Sedan and Hugh Orgel

**JERUSALEM, July 1 (JTA) —** The Cabinet adopted an emergency economic program today, the immediate effects of which will be soaring prices for most consumer goods and reduced compensation for workers.

Opposition by Histadrut was instantaneous. The powerful trade union federation called a 24-hour general strike, starting tomorrow, that will virtually paralyze the country. Histadrut leaders charged that the new measures will create severe hardships for wage-earners but only minor inconvenience for the well-to-do.

The economic program is essentially the work of Finance Minister Yitzhak Modai. He had determined support from Premier Shimon Peres who kept his Cabinet in session all day yesterday and into the early hours of this morning until the program was adopted by a majority but far from unanimous vote. Peres hinted he would resign if it were not adopted.

Opposition to it cut across party lines. Seven Likud ministers voted against the program proposed by a Likud Finance Minister. The most outspoken opponent was Deputy Premier and Housing Minister David Levy, who charged that the new measures would only fuel

inflation. But Deputy Premier and Foreign Minister Yitzhak Shamir, leader of Likud, voted for the program. Defense Minister Yitzhak Rabin, of the Labor Party, abstained on grounds that the defense budget could not sustain further cuts. But he refrained from voting against a Laborite Premier's program. Peres had made it clear however that once adopted, the economic program must be supported publicly by every minister in the Labor-Likud unity government. He said he would expect anyone who could not go along to submit his resignation.

Peres admitted after the marathon Cabinet session that for the next three months at least, the public will bear a heavy economic burden. But he predicted there were good prospects that runaway inflation, long the scourge of the economy, will be beaten down. He urged the public, in effect, to bite the bullet for the short term. Without the harsh measures adopted, the economy would be sliding toward collapse and there would be no way out of the inflationary spiral, he said.

The government predicts that after a period of three months during which inflation may rise to record highs, the economy will stabilize and inflation will be brought down to low single digits. This, according to proponents of the plan, will set the stage for revived economic growth and expansion, easing the burden on wage-earners. Although an undisclosed number of government employees will have to be dismissed because of curtailed government spending, mass unemployment will be avoided, supporters of the plan said.

#### Government Spending To Be Down \$1.1 Billion

The government claims its new measures will reduce government expenditures by \$1.1 billion, considered a minimum to cool down inflation. But some economic experts argued today that the real cuts will amount to only \$300-\$400 million and that the improved government balance sheet will really reflect more and heavier taxation which will in turn reduce inflation.

Histadrut was enraged because the government will impose its economic austerity program by invoking emergency regulations that are a hold-over from the British Mandate regime. According to Histadrut Secretary General Yisrael Kessar, this is the first time in Israel's history that these regulations were invoked. He blasted the Cabinet for agreeing to them without prior negotiations or consultations with Histadrut.

The major elements of the new economic program include an 18.8 percent devaluation of the Shekel. This, plus the "creeping devaluation" of the Shekel during the past week, adds up to a 30 percent devaluation. The rate of the Shekel against the Dollar will be 1,500 to \$1.

#### Subsidies Cut

Massive cuts in government price support subsidies decreed by the new program sent the price of subsidized consumer goods soaring between 45-75 percent today. The price of bread was up 75 percent; cooking oil 60 percent; milk and dairy products 65 percent; frozen meat and poultry 45 percent; eggs 65 percent; and petrol by 27 percent.

The government also approved a general price rise of 17 percent on other items. The prices of about 100 non-subsidized products will rise between 25-30 percent.

All prices, wages and salaries will be frozen for a three month period. Wages will be cut by three per-

cent in the public sector. Civil servants, with few exceptions, will not receive overtime pay and fringe benefits for the three month period.

Independently employed persons will have to increase their advance tax payments by 8.3 percent at the start of the tax year. But the value-added tax (VAT) will be lowered from 17 to 15 percent.

#### Histadrut Sees 30 Percent Loss in Real Wages

Histadrut contends that real wages will be eroded by about 30 percent. It has ordered a 24 hour shutdown of all economic activity, production and services for tomorrow. This means that effective at 6 a.m. local time, July 2, airports and sea ports will close down. Radio and television will be blacked out except for brief hourly news bulletins and the regular, twice daily newscasts.

The general strike will shut down bakeries. Bread will be in short supply even on Wednesday when the strike ends because baking will resume only at 6 a.m.

Supermarkets and other food chains and retail outlets will be closed for 24 hours. Hospitals and essential services will be maintained on an emergency Sabbath schedule.

Histadrut's trades union department was still considering today whether to halt all public transportation or to allow buses to operate for a few hours in the morning.

#### Other Labor Strife Continues

Labor strife will continue beyond the general strike. The Histadrut teachers union to which elementary school teachers belong, gave statutory notice today of their intention to strike in protest against threatened dismissals under the new economic program. The school term ended yesterday but teachers are needed to help prepare for the new school year that begins after the summer vacation.

Meanwhile, workers who have been occupying the bankrupt Ata textile mills on Haifa Bay demonstrated angrily today outside the mill gates. They burned tires, blocking traffic on the Haifa-Acre highway. The Ministerial Economic Committee last week refused to ratify the proposed sale of the mills to a syndicate of American and Swiss investors. Ata, which was ordered shut down a month ago, appears doomed, and with it the nearly 2,000 jobs it provided.

#### KNESSET TO DEBATE ECONOMIC PLAN

By Hugh Orgel

JERUSALEM, July 1 (JTA) — The emergency economic program approved by a Cabinet majority early this morning will be debated in the Knesset tomorrow. A vote upholding the program is considered a foregone conclusion because of tight coalition discipline, despite angry rumblings of dissatisfaction among MKs of all factions.

Because the coalition factions have been enjoined to support the government in the vote or, at most, abstain, the opposition parties withdrew a series of non-confidence motions. But they are expected to cast their votes against the program.

Much of the anger in the Knesset today was directed at Finance Minister Yitzhak Modai, author of the program, who outlined it to the public in a lengthy broadcast press conference this morning before he appeared in the Knesset at noon. Coalition and opposition MKs were indignant that they had to hear from Modai what they read in the newspapers or heard on radio hours earlier.

Their indignation was translated into noisy interruptions while Modai spoke, making it impossible at times for him to be heard.

# HIGH COURT RULING BARRING PUBLICLY FUNDED REMEDIAL PROGRAMS FOR PAROCHIAL SCHOOLS CALLED 'DEVASTATING' DECISION By Ben Gallob

NEW YORK, July 1 (JTA) — A Jewish expert on legal issues affecting observant Jews described as "devastating" two decisions of the U.S. Supreme Court today both by 5-4 votes, holding unconstitutional two programs by which, at public expense, remedial educational services had been brought to pupils of all-day religious schools on the premises of the schools.

The majority ruling held in both cases that "even a praiseworthy, secular purpose of providing for the education of school children cannot validate government aid to parochial schools when the aid has the effect of promoting a single religion or religion generally or when the aid unduly entangles the government in matters religious." The general decision was that the programs have the principal effect of advancing religion in violation of the Constitution.

Dennis Rapps, executive director of the National Jewish Commission on Law and Public Affairs (COLPA), which had filed friend-of-the-court briefs in both cases, said the Supreme Court had upheld decisions of federal Courts of Appeal in the Second and Sixth Circuits. The briefs were prepared by Nathan Lewin of Washington, COLPA vice president.

## Public School Teachers Taught Classes

In one case, the Second Court of Appeals had invalidated a program under Title I of the Federal Elementary and Secondary Education Act of 1965. Under that program, the federal government provided funding for local public school boards to arrange remedial mathematics and reading courses to all educationally-deprived children in low income areas.

As part of the Title I program, the school boards provided public school teachers to teach the remedial classes at the parochial schools, including yeshivas, in the same way that such services were provided to public school children. Under this arrangement, public school teachers taught the remedial courses on the premises of the non-public school.

Rapps said that, although there had been no evidence, in the nearly 20-year history of the program, of any mingling of the contents of the religious programs of such schools with the federally-funded remedial programs, the Supreme Court accepted the Circuit Court of Appeals ruling that the mere potential of such mingling rendered the entire program unconstitutional.

## Off-Premises Seen As Poor Solution

He said the effect of the invalidation of Title I will be severe for children attending Jewish religious schools. He said it appeared, in the light of the Supreme Court rulings today, that the only constitutional method of providing the federally-funded remedial services by public school teachers would be off the premises of the religious school.

Rapps said this would mean that the non-public school students would have to be transported to a neutral or public school site to receive the remedial teaching during the school day or after hours.

He pointed out that, since transportation is extremely time-consuming, this did not appear to be a viable option, adding that the students would hesi-

tate to leave their regular classes in the non-public school during the regular school day. Since most such students currently attend classes until around 5:30 p.m., remedial programs could not realistically be scheduled after that hour, he said.

In addition, he asserted, the cost of transporting the students to such neutral sites has been estimated as involving about 40 percent of the total allocation of federal funds for the remedial services.

In a parallel case in Grand Rapids, Michigan, Rapps reported, the impact on Jewish religious schools is indirect because no students in Grand Rapids parochial schools had been directly benefitted by the remedial programs under Title I. Also there appear to be no Jewish day schools in Grand Rapids.

Nevertheless, COLPA intervened in that case on the premise that the principle of whether supplementary publicly-financed educational programs may be conducted under the control of public school personnel is of major importance to observant Jews, Rapps said.

## Parochial Students Excluded From Help

He explained that if non-Jewish private schools are denied the benefits of such federally-financed programs, they are effectively excluded from such help from educational benefits offered to the rest of the student population, because of the religious beliefs of the parents of non-public school students.

He said that in the Grand Rapids program, enrichment programs for mathematics, reading, art, music and physical education were provided to non-public school students on parts of the public school premises set aside for the time needed to implement the aid programs. Rapps said COLPA had filed friend-of-the-court briefs in both cases on behalf of major national Orthodox organizations.

## JEWISH ACTIVIST CHARGED WITH 'TREASON'

NEW YORK, July 1 (JTA) — After a five hour search of his apartment last Friday, leading Jewish activist Dr. Isai Goldstein from Tbilisi has been told to report today to the KGB for arrest on charges of "treason by reason of spying," the Student Struggle for Soviet Jewry reported today.

Goldstein, a 27-year-old physicist, refused an exit visa to Israel for 14 years, could face execution, the SSSJ said. The arrest was termed by the SSSJ "a frightening display of Mikhail Gorbachev's emergence to a new Stalin. This is the fourth arrest of a Russian Jewish activist within the past month."

According to the SSSJ, Goldstein, his family and brother belonged to an unofficial musical group called Phantom. It is comprised of refuseniks and human rights activists. Eight other members of the group were detained Friday as well, but evidently only Goldstein and human rights campaigner Edward Gudeva are charged with treason. KGB Colonel Marion Nashvili accused Goldstein of being in illegal contact with foreign diplomats, correspondents and tourists, the SSSJ reported.

Meanwhile, the SSSJ also reported that Dan Shapiro, a Moscow Hebrew teacher, has received a two-year suspended sentence for "anti-Soviet slander." The Soviet Union's news agency, Tass, claimed that the trial was open, but supporters of Shapiro and Western reporters were barred entrance to the courthouse by the KGB.

## U.S. JEWISH POPULATION GROWS BY 89,000 IN 1984; FLORIDA REGISTERS LARGEST INCREASE

NEW YORK, July 1 (JTA) — The Jewish population in the United States in 1984 was estimated to be 5.817 million, an increase of 89,000 over the year prior, according to statistics released here in the 1985 American Jewish Year Book, published by the American Jewish Committee.

Florida, according to the Year Book, registered the largest gain in Jewish population during the last year, substantially leading other sunbelt states marking increases.

Florida's gain of nearly 80,000 Jews pushed its statewide total to 558,820 giving it the third largest concentration of Jews — 5.2 percent — in the nation, led only by New York with 1,879,955 — 10.6 percent — and New Jersey with 433,475 — 5.8 percent. Florida is also the third most populous Jewish state in the U.S. after New York and California.

### Increases Mostly In Southwest

Other states listing significant gains were primarily in the Southwest: Arizona, 53,285, up 4,000; Colorado, 44,365, up almost 3,000; and Texas, 78,470, rising by over 1,000.

In the Southeast, Georgia's Jewish population rose by 1,300 to 42,155. Other Southern states meanwhile showed slight drops, including Alabama, Louisiana, and North Carolina and South Carolina. In the Far West, Oregon recorded some population loss while California's Jewish population was up slightly from the year before, at 792,515.

Pennsylvania followed fifth in Jewish population at 412,210, succeeded by Illinois at 261,320; Massachusetts, 248,395; Maryland, 199,415; Ohio, 140,435; and Connecticut, at 107,575.

### Smaller Household Size

According to the Year Book article — "Recent Jewish Community Population Studies: A Roundup" — written by Gary Tabin and Alvin Chenkin, all cities studied, with the exception of Cleveland, reported a smaller mean household size than the 2.8 figure recorded by the National Jewish Population Study in 1970. Denver, Los Angeles, and Miami showed the least number of Jews per family, with 2.2 members.

According to the article, St. Louis households reported the biggest annual incomes, with 43 percent earning more than \$40,000 annually. New York City's Jewish families showed the next largest incomes, with 33 percent earning over \$40,000 yearly. Approximately one-third of Jewish households in Denver reported incomes of more than \$40,000.

"On the other hand," the authors wrote "in every community except Washington, D.C., at least ten percent of the population have household incomes under \$10,000, and many report incomes under \$5,000." According to the authors, Los Angeles had the most households — 21 percent of the community — with earnings of less than \$10,000.

According to the study, cities showed a substantial variation in the denominational affiliations of their Jewish residents. St. Louis and Milwaukee reported a larger percentage of Reform Jews — 52 percent — than other denominations. Conservatives comprised the majority of Jews in Minneapolis — St. Paul. Seattle reported the largest concentration of Orthodox Jews, at 15 percent.

The 1985 Year Book includes directories of national Jewish organizations, periodicals and calendars and obituary notices. The editors are Milton Himmel-farb and David Singer.

## GROUP FORMED ON RECONCILIATION

By Yitzhak Rabi

NEW YORK, July 1 (JTA) — The formation of a new group, the German and American Committee on Learning and Reconciliation, "to enhance understanding" between the American and German people, was announced at a press conference at the Brandeis University House here last week.

"This is one of the most moving moments I have experienced in recent years," Elie Wiesel, chairman of the U.S. Holocaust Memorial Council, said. He explained that the group has been formed to develop cultural and scholarly projects "to open new avenues" of understanding between the two peoples.

Wiesel said that the group includes 11 members, five Germans and six Americans, including himself. The interfaith group, he noted, has among its members politicians, historians, writers and other scholars. He said that members of the American team were appointed by him while members of the German team were appointed by German Chancellor Helmut Kohl.

### Idea Preceded Bitburg

"I hope that the activity of the group will not be at the expense of memory and truth," Wiesel declared. He said that "the idea of such a group came to us before Bitburg," referring to President Reagan's controversial visit to the German military cemetery in Bitburg May 5 where Nazi Waffen SS troops are among the buried. "But it (the group) now seems more urgent because of Bitburg," Wiesel said.

He added: "If we had been in existence perhaps the Bitburg affair would not have happened. Wiesel said the idea for forming the group started about six months ago.

"In our meetings we shall try to explore questions that had been haunting our generation for the last 40 years," the noted author of the Holocaust said. "The mystery of evil and the peril of indifference to evil. The relationship between the individual and the nation — the responsibility of human beings to remain human in an inhuman society."

Speaking on behalf of the West German members of the committee, Peter Peterson, a Christian-Democrat member of the West German Parliament, said that what brought the members of the group together was the wish to insure that "our children will have a future which a Holocaust will have no place in it." He said that Chancellor Helmut Kohl "is very much involved" with the formation of the group and its future activities.

## ISRAELI SCIENTIST GETS NASA GRANT

By David Landau

JERUSALEM, July 1 (JTA) — A three-year research grant from the U.S. National Aeronautics and Space Administration (NASA) has been given to Prof. Amos Rabin of the Department of Soil and Water Sciences at the Hebrew University's faculty of Agriculture in Rehovot.

His task is to carry out research into various types of soil on earth that could serve as a model for soils on the planet Mars. The research is connected with a planned U.S. space probe to Mars in 1990 which will investigate the mineral and chemical composition of the soil of the planet and the relationship between Mars' soil and its atmosphere.