

**UNPRECEDENTED DEAL BETWEEN ISRAELI
AUTHORITIES AND A FATAH LEADER**
By Gil Sedan

JERUSALEM, Aug. 26 (JTA) — An unprecedented deal was worked out over the weekend between the Israeli authorities and Khalil Abu-Ziad, described as a senior Fatah leader in East Jerusalem and whom the authorities have been trying to deport since August 8.

The deal provides that Abu-Ziad would leave the country tomorrow voluntarily for a period of three years, promising not to engage in any anti-Israeli activities. If he keeps his part of the arrangement, the authorities committed themselves to allow him to return after three years.

Once the agreement was signed, the authorities cancelled their deportation order, issued by Gen. Amnon Shahak, head of the Military Command. Abu-Ziad, for his part, took back his appeal to the High Court of Justice against the deportation order. He was also released from his detention and allowed to meet with his wife for 48 hours, before leaving for Amman.

The authorities maintain that Abu-Ziad is involved in terrorist and subversive activities and that he maintains contact with people active in Fatah, both inside and outside the administered territories. They charge that his East Jerusalem book store is a meeting place for Palestine Liberation Organization activists.

Abu-Ziad had served a 10-year prison sentence for his Fatah activities. He was first arrested on suspicion of Fatah activities in September, 1979. He was released, then rearrested two months later, charged with heading a terrorist cell, and with receiving and distributing Fatah funds in the territories.

Recommendation By The Review Board

Abu-Ziad, who has been under house arrest since 1982, appealed the deportation order to the military review board which recommended that Shahak reconsider his decision to have Abu-Ziad deported. While the review board said there was "legal and justified reason" for the deportation order, it said there "is nothing to link him directly with terrorist attacks."

"Therefore, we recommend that the Military Commander reconsider whether under the circumstances and considering the role of the petitioner in Fatah, deportation is necessary in view of its extremely drastic and serious nature," the review board said. The board's recommendation took defense officials by surprise inasmuch as the Board had till then been considered a rubber stamp for the approval of such decisions by the area commander.

The High Court ordered a stay of the deportation pending a review. The deportation, if implemented, would have amounted to the first such action under a Cabinet decision to take strict measures on the West Bank to combat a wave of anti-Jewish terrorism. In 1980, the Supreme Court approved the deportation of two West Bank Arab mayors.

**LEADING MEDICAL FIRM IS BEING
RESTRUCTURED UNDER NEW MANAGEMENT**
Move Follows Large Financial Losses
By Hugh Orgel

TEL AVIV, Aug. 26 (JTA) — Israel's Elscint sophisticated medical imaging equipment company, which at one time appeared to lead the world in its field and was invariably cited in Israel as an example of what forward-thinking high-technology firms could do, has been cut down to size and restructuring its financial structure under new management.

And Dr. Avraham Suhami, regarded as a scientific and financial wizard who founded the company and took it to dizzying heights, has now left the company completely, after having resigned as board chairman and managing director two months ago.

In the face of large financial losses, he accepted personal responsibility for mismanagement and went into "exile" as head of the company's U.S. subsidiary responsible for American sales in Boston. He has now been ousted from that post, also.

His place as head of the company has been taken over by Uzia Galil, his one-time mentor and head of the Elron Electronics firm which holds a majority of the Elscint shares and which helped Suhami launch his medical imaging design and production concern.

The Rise And Fall Of Suhami

Financial analysts in Israel are now saying that Suhami's rise and fall were inevitable, given the man's formidable talents both as scientist and profit-oriented entrepreneur and with what commentators this weekend described as his "dictatorial managerial style and the ferocious pace at which he drove the multi-national concern that he built up but which left a trail of casualties and a growing number of personal enemies that stretched back over the years."

In effect, they say, Suhami aimed too high too quickly and in the end over-reached himself. He went for massive company growth at a time when the entire market for medical imaging equipment in the U.S. was suffering from a change in the climate of hospital and health-care financing.

To boost American sales, he bought the Zonics firm in Boston which was in financial difficulties and went bankrupt a few weeks later.

(When he resigned from the parent firm, Suhami went to Boston to try and revive the subsidiary there, hoping to increase Elscint sales and marketing, but has now been eased out completely by Galil).

Basis For The Setback

Basically, what set back Suhami and his plans were the delays in receiving U.S. Food and Drug Administration (FDA) approval for the Elscint model of medical resonance imaging equipment. Production delays in the manufacture of giant magnets which are an essential part of the equipment made Elscint miss out on a major medical equipment fair and lose an entire year in public display.

Only six out of 19 companies in the field have so far received FDA clearance, and this, together with ongo-

ing cost overruns in numerous Elscint plants in Israel, Europe and the U.S., established or bought to cope with what Suhani had been convinced would be massive sales, led to turnover far less than he had optimistically forecast.

Galil and the new Elscint management have set the company's sights far lower. If FDA clearance for the Elscint model is finally obtained, Elscint may be on its way to achieving something of what Suhani had planned, though considerably less than his original aims.

Suhani himself, who holds eight percent of the Elscint stock, says he will sit back and rethink his way and then probably establish a new company on a smaller scale but with big long-range hopes — but not a company in competition with Elscint, his own brainchild.

DISPUTE OVER OPERATION OF CABLE CAR SYSTEM IN HAIFA By Hugh Orgel

TEL AVIV, Aug. 26 (JTA) — Interior Minister Yitzhak Peretz, of the religious Shas Party, has ordered Haifa Labor Party's Mayor Arye Gurel to halt the planned operation of the new Mount Carmel cable car from Stella Maris to the seashore on Saturdays and holidays.

But Gurel insisted today that eliminating the operation on the Sabbath and holiday would render the enterprise uneconomical and would make it difficult to find investors for the project. Peretz contended however, during a visit to Haifa today, that economic considerations pale into insignificance in the face of Sabbath observance.

He said that "the effect of a week-day only operation should have been taken into consideration when the plans were first drawn up" for the Swiss-made, ball-like gondolas to take tourists and local residents on a breath-taking ride up and down the mountainside.

Peretz added that if the cable cars operated on Saturdays, "thousands of local youngsters and from the whole northern district will flock to Haifa to take a ride, thus causing wholesale Sabbath desecration."

The municipality says that income on the Sabbath, from tourists and local residents, was planned to provide a major part of the operational budget.

The Rabbinical Rationale

Haifa is the only major town in Israel in which public buses operate on the Sabbath — a carry-over from the Labor-led City Council from Mandatory days and in the early years of the State.

The rabbinical rationale for continuing this practice is that Haifa is a mixed city and the buses serve both the Jewish and Arab populations. Buses on the Sabbath thus form part of the "status quo," but the cable car is a new phenomenon. Haifa's underground funicular railway, built after 1948, is not allowed to operate on the Sabbath.

But even before the gondolas start swinging up and down on their cables, technical problems have cropped up, quite apart from the Sabbath problem.

The Swiss-made gondola cars were designed for use in the Alps, carrying skiers in the winter. They are equipped with quick-heating devices for the sub-zero cold. But reporters point out that in the Haifa summer heat, the big glass balls, designed to give a 360-degree view, become travelling saunas.

The municipality is pondering how to overcome the Sabbath ban and equip the gondolas with air-conditioners.

ISRAELI OFFICIAL SEES ECONOMIC PROSPECTS IMPROVING FOR REST OF 1985

NEW YORK, Aug. 26 (JTA) — Despite a record-breaking 27.5 percent jump in the cost-of-living index in July, Israel's monthly double-digit inflation is "behind us" and economic prospects for the rest of 1985 are "highly encouraging," Uri Oren, an Israeli consul and government economic spokesman in New York, said this week.

Oren explained that inflation soared last month because government subsidies on basic foodstuffs and public transport were cut or eliminated on July 1 and Israel's currency was devalued by an additional 25 percent.

The immediate result of these economic austerity measures, he said, was "vastly higher prices for consumers." This in turn will cause an erosion of wages in real terms during the next three months of some 25 percent, over and above a wage erosion of some 15 percent in the past year, Oren noted.

Positive Indicators

This substantial reduction of purchasing power, in addition to the temporary freeze on prices, is expected to lead to a significant drop in the inflation rate, Oren added.

Among the positive indicators that have already emerged as a result of the new economic measures instituted by the government, the Israeli official said, is a halt in the decline in Israel's foreign currency reserves. During the month of July these reserves, which had been declining substantially for the last year, actually increased by \$3 million, he reported. During July, too, for the first time, this year, not only did the government not print any new money, but in fact absorbed from the public some \$170 million, he reported.

"Perhaps the most important single step to break the cycle of inflation has been the government's action to eliminate the automatic 'linkage' between prices and wages, under which every monthly rise in the cost of living was compensated by a nearly-matching increase in payments to employees," Oren said.

The compensation for the 27.5 percent inflation rate during July was a one-time payment of 12 percent, instead of the automatic 22 percent wage hike workers would otherwise have received under the old formula, Oren said.

Exports Up, Imports Down

In other areas of Israel's economy, Oren reported, "recent developments are highly encouraging." He said Israeli exports were in a rising trend, running ahead of last year's figures by 7.6 percent in the first six months of 1985.

July's export figures were 24 percent higher than a year ago, he said, with most of the increase coming in high-technology products as well as consumer goods such as processed foods, jewelry, plastics and textiles. Trade with the United States was "leading the way," Oren disclosed. He said Israeli exports to the U.S. rose by 25 percent in the first half of 1985.

While exports were rising, imports continued to decline, falling by 7.5 percent during the first six months of 1985, Oren said. From January through July, Israel's balance-of-trade deficit was reduced from \$1.753 billion in 1984 to \$1.148 billion this year, an improvement of 35 percent. Last year's trade deficit was 29 percent less than 1983.

BEHIND THE HEADLINES THE JEWISH CATACOMBS OF ITALY

By Lisa Palmieri-Billig

ROME, Aug. 26 (JTA) -- The Jewish catacombs of Italy -- underground burial networks going back to the first century BCE and spanning the next five -- are to leave the custody of the Vatican and become the responsibility of Italian government authorities, a move Italy's Jews view as both a historic opportunity and a cause for concern.

There are about a dozen major Jewish catacombs known to have existed in Italy. Archaeological explorations dating back to the 1600's testify to their existence in Rome, Sicily, Sardinia and the southern region of Apulia -- especially Venosa and Bari.

Scholars estimate that in Imperial Rome, underground labyrinths were lined with up to 100,000 tombs. The tombs provide priceless information on the daily lives of Jews in the earliest European diaspora.

Since Italy's reunification in 1870, and more formally since the 1929 Concordat between the Italian government and the Holy See, some Jewish and Christian catacombs in Italy have been under the control of the Vatican's Pontifical Commission for Sacred Art.

Fears Aroused In Jewish Community

In February 1984, the Secretaries of the State of Italy and of the Vatican signed a revised version of the Concordat under which the Holy See agrees to relinquish its management of all "non-Christian" catacombs.

Though Italy's 35,000 Jews had long and anxiously awaited this move, they now fear that lack of funds and archaeological know-how might well impede the restoration, further exploration, and above all conservation of the catacombs -- thus endangering the survival of the only direct source of information still available on early Jewish life in Italy.

Revelation Of Early Jewish Life

The epigraphs in the catacombs -- about 75 percent in Greek, most of the rest in Latin and a small number in Hebrew -- reveal the wide range of arts, trades, and professions of early Italian Jews: from artists, actors and scribes to lawyers, bankers, physicians, merchants and sailors -- as well as their family, social, and religious community structures.

The wall frescos of the Roman catacombs depict menorahs and ritual subjects plus peacocks, birds, fish and serpents, winged victories, and nude athletes. This provides interesting evidence that Hellenized Jews lived according to a less rigorous interpretation of the commandment to refrain from making graven images, according to Tullia Zevi, president of the Union of Italian Jewish Communities (UIJC).

A 1981 archaeological excavation of the catacombs of Venosa revealed the interesting fact that Jewish and Christian sections were located in "such proximity to one another" as to suggest "a high level of interaction in these communities" up to the ninth century, according to Prof. Eric Meyers of Duke University, who co-directed the Italian-American archaeological team with Prof. Cesare Colafemmina of Bari University.

Most of the Italian Jewish catacombs were thoroughly plundered in the long centuries before the Vatican authorities took over their supervision, and their treasures still surface in private auctions. These thefts were halted with the Vatican take-over.

Methodology Of Conservation

The methodology of conservation employed by Vatican authorities differed for Christian and Jewish catacombs, however. The artifacts and inscribed tombstones of Rome's Christian catacombs were largely kept in place and the catacombs were opened to guided tours for visitors from all over the world.

The archaeological artifacts found in the Jewish catacombs, however, were mostly removed and carefully stored in special areas of Vatican museums and later, Italian state museums, as well. Their safety there is guaranteed, but due to the wealth of the museums' stocks and other priorities, they can presently be seen only upon special request from museum directors. A smaller quantity of tombstones and artifacts is dispersed in various city museums in Rome.

Two Catacombs In Rome Saved

Of the six known Jewish catacombs in Rome, only two were saved from burial beneath modern buildings. One of these, the Villa Randanini, is the only one in all of Italy currently open to the public. The other Roman catacomb, the Villa Torlonia, and its counterpart in Venosa could conceivably be reopened if proper "first-aid" treatment were rendered.

The entrance to the Villa Torlonia catacomb was sealed off in 1978 by agreement between the Pontifical Commission for Sacred Archaeology, and the Union of Italian Jewish Communities. This was done to "protect the catacombs from vandalism" when the ground they occupied -- part of an estate belonging to the Mussolini family -- was turned into a public park. Today, unfortunately, trucks and other vehicles occasionally pass over the unmarked earth covering the entrance.

The Venosa catacombs cover a vast and largely still unexplored underground area, much of which was ravaged and despoiled right up to and into the 20th century. Excavations were carried out there in May 1981 by the Italian-American team, with support from the UIJC and the World Jewish Congress.

After the earthquake that same year, the Italian government allocated funds for reinforcing the external and internal structures of the catacombs under the supervision of Prof. Mariarosaria Salvatore, Superintendent of Fine Arts at Venosa.

Hopes For Other Excavations

Colafemmina, a Catholic priest fluent in Hebrew who co-directed the Venosa excavations and has been largely responsible for maintaining high public interest in conserving the Jewish catacombs, told the Jewish Telegraphic Agency of his "dream" of another team excavation at Venosa. This one, he said, could also include experts from Tel Aviv University, with whom he discussed the idea on the most recent of his many trips to Israel.

Zevi would also like to see exploration of catacombs in addition to those in Rome and Venosa -- including some whose entrances have been "lost" under construction sites but which, she said, still exist underground. She also envisions a complete inventory of the contents of the catacombs and the establishment of a Jewish Archaeological Museum in Rome to preserve and display at least part of the many objects which have

been or will be discovered there. "But if we are to do any serious work on the catacombs, we need to raise several million dollars," Zevi told the JTA. The Italian government, though willing to help, can make only a partial contribution to this effort, she said, because "with the best of good will, it already has more of this country's vast archaeological, artistic and historical patrimony to conserve than it can afford to. And Italy's small Jewish community has neither the expertise nor the funds" to do it alone.

"We Jews always speak of the centrality to our faith of historical memory," wrote Zevi in an "Open Letter on the Catacombs," appeal to world Jewry for funding. "Now we have a unique opportunity to act on our convictions for the sake of saving a precious testimony that would, if it were lost, be absolutely irreplaceable."

NOBEL LAUREATE AGNON TO BE FEATURED ON NEW 50 SHEKEL NOTE

JERUSALEM, Aug. 26 (JTA) — Nobel Laureate author Shmuel Yosef ("Shai") Agnon will be featured on the new 50 Shekel note to be released next week. The new note will be the highest denomination in Israel's new currency — at least for the rest of 1985. There are reportedly plans to introduce a new 100 Shekel note during 1986.

A specimen of the new note exhibited by the Bank of Israel this week showed Agnon in a large black skullcap reading, and surrounded by books. The author was an observant man, and many of his literary works were suffused with religious themes.

The present 10,000 Shekel note portraying Golda Meir will be reissued, in almost the same form — with only the three zeros missing; it will be the new 10 Shekel note. The present 100 Shekel note, showing Revisionist leader Ze'ev Jabotinsky, will be dropped.

HISTORY OF YIDDISH CINEMA TO AIR ON WNET THIRTEEN SEPT. 18

NEW YORK, Aug. 26 (JTA) — For the one-and-a-half million Jewish refugees who fled Eastern Europe for New York's Lower East Side in the early 20th century, emigration nurtured both dreams of success and nostalgia for the Old World. Out of the immigrant society's struggle to assimilate — and the hardships endured — was spawned a cinematic phenomenon, the Yiddish cinema.

Almonds and Raisins, which will air on WNET Thirteen Wednesday, September 18 at 9 p.m., is a history of the Yiddish cinema seen through the eyes of participating actors, actresses, directors and producers, and featuring archival excerpts from the more than 300 Yiddish films made from 1927-40.

Narrated by Orson Welles, the premiere presentation chronicles the sentiments captured and reflected by the Yiddish cinema, and begins with a film response to the 1927 classic, "The Jazz Singer." That film, in which singer Al Jolson achieves his "American dream" by marrying a Gentile, prompted director Joseph Green to make "The Cantor's Son," in whose final scene the hero sings an emotional farewell to America as he departs for the warmer, truer values of his native shtetl.

The conflict of the Jewish immigrants between assimilation and preservation of their heritage is manifested through films such as Sholem Asch's "Uncle Moses," marked by the pain of factory strikes and poverty, and the joys of courtship and prosperity,

and "Where is My Child?" and "The Ballad of Motl, the Sewing Machine Operator," both starring legendary Yiddish actress Celia Adler.

In films shot on location in Poland, the music and humor acquire a more serious, religious tone. "Yiddle Mitn Fiddle" stars Molly Picon, who, with her father, holds starvation at bay as they wander from shtetl to shtetl, singing and playing Yiddish folksongs for the poor but pious villagers. "Mamele" depicts the hunger and poverty of the old country. In "The Dybbuk," the sway of superstition is recalled, and in "Fishe der Krummer" the fusion of everyday life, and the religious rituals of holy days, feast days, weddings and Bar Mitzvahs is faithfully recorded.

Toward the end of the 1930's, films such as Edgar Ulmer's "Green Fields" returned to the theme of emigration, but implied an alternative to urban enclaves with an ambitious message that for the Jews in American ghettos, the renewal of faith and identity might be achieved by a return to the rural life and agricultural work. And in the 1939 "Tevye," the doctrine of Zionism and the lure of Israel held out hope to American Jews, while alerting them to the millions of Jews stranded behind in Europe.

The presentation of Almonds and Raisins is made possible by a grant from Automatic Data Processing, Inc. Almonds and Raisins is written and produced by David Elstein and Russ Karel.

LEWIS NAMED FIRST SENIOR DAYAN FELLOW AT TAU'S DAYAN CENTER

TEL AVIV, Aug. 26 (JTA) — Former U.S. Ambassador to Israel Samuel Lewis has been named the first senior Dayan fellow at Tel Aviv University's Dayan Center for Middle East and African Studies and will spend four months at the Center during the coming academic year, TAU has announced.

Lewis will lecture at the Center and do research for a book during his appointment under the Dayan Fellowship program, which was established to support research on the political and military history of the modern Middle East and Israel's place in the region. The former Ambassador who served in Israel for eight years is also affiliated with the Foreign Policy Institute at Johns Hopkins University.

The Dayan Center, headed by Prof. Itamar Rabinovich, is TAU's major framework for research, study, publication and related academic activities concerned with the modern Middle East and Africa. Moshe Dayan's personal archives, drawn from the years he served as Israel's Chief of Staff, Defense Minister, and Foreign Minister, are housed at the center.

NEW YORK (JTA) — A new medal from Israel, designed by Yaacov Agam, an innovative Israeli-born artist, features a central holographic glass disk, which bears the inscription: "And there was light," in English on one side and Hebrew on the other. This medal, commissioned by the Israel Government Coins and Medals Corporation, appears to be the first use of holography on a government issued coin or medal. When held to the light, the holographic disk reveals a three-dimensional Star of David, which Agam noted in an interview with The New York Times, is intended to symbolize "the Jewish people's unique role in the world — to raise sparks and make them holy — to bring the light out from its hidden place."