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PERES TO DISCUSS MIDEAST, BILATERAL MATTERS WITH WEST GERMAN LEADERS By David Kantor

BONN, Jan. 26 (JTA) -- Premier Shimon Peres arrived here on a four-day visit to West Germany today for talks with German leaders that are expected to cover the Middle East conflict and proposals for a joint technological research foundation to which both the Israeli government and the Federal Republic would contribute.

Peres is the second incumbent Prime Minister of Israel to visit West Germany -- Yitzhak Rabin, when Premier, was here in 1975 -- and will be the first ever to visit West Berlin, the former capital of the Third Reich. He will go there Wednesday, before

returning to Israel.

Peresis on the final leg of a 12-day European trip that took him to Holland and Britain. He has described his mission as aimed at re-enforcing Israel' political and economic ties with the West Europeans. the member-states of the European Economic Community (EEC) in particular.

Prior to his arrival, a government spokesman, Friedhelm Ost told reporters that the visit would demonstrate the drawing closer of Israel and West Germany whose special relationship was shaped by

the German past.

Peres To Visit Bergen-Belsen

The Holocaust inevitably came up on Peres' arrival. The Israeli leader will visit the site of the Ber gen-Belsen concentration camp near Hannover tomor row on a private visit before returning to Bonn for talks with Chancellor Helmut Kohl. Peres told the German newspaper Bild that Israelis and Jews all over the world cannot forget the Holocaust "or to let this be forgotten, "He added, "A new Germany has arisen from that hell and that gives me reason for hope."

Peres is returning the visit to Israel by Kohl in 1984. President Richard von Weizsaecker visited Israel last year, the first German chief of state to do so. Peres spent five days in Britain before coming here It was announced Friday that Prime Minister Margaret Thatcher accepted his invitation to visit Israel and will do so next summer, the first British Prime Minis-ter to visit the Jewish State in that capacity.

Bonn Pushing For Euro-Arab Dialogue

Meanwhile, Bonn announced just a day before Peres' arrival that it is launching a diplomatic campaign for a fresh start to the Euro-Arab dialogue. According to newspapers, Foreign Minister Hans-Dietrich Genscher has assigned a high ranking diplomat to make the rounds of Arab capitals to promote Bonn's initiative.

The aim is for the EEC to convene a special meeting of European and Arab Foreign Ministers to discuss the Arab-Israeli conflict. Originally an outgrowth of the 1973 Arab oil embargo, the dialogue has until now been confined to economic aid and cultural matters.

BEHIND THE HEADLINES OLD AND NEW BATTLES IN CONGRESS By Judith Kohn

(Part Two Of A Two-Part Series)

WASHINGTON, Jan. 26 (JTA) -- As the Congressional budget-cutting and tax reform battles rage in the House and Senate this session, other issues on the legislative agenda are certain to be the focus of no less vigorous debates in the chambers of Congress, and between the White House and Capital Hill.

And haunting the legislators as they approach questions like aid to Israel and perhaps the proposed arms sale to Jordan as well, will be the same ubiquitous spector of the Gramm-Rudman deficit reduction law passed before Congress adjourned for recess last month.

Israel has already decided to voluntarily return \$51 million it received last October when the U.S. turned over a \$1.2 billion economic assistance package

approved by Congress for fiscal year 1986.

The amount represents the 4.3 percent that the government will have to trim from U.S. foreign aid programs for every recipient country when automatic spending cuts go into effect in March. Unlike other countries receiving U.S. aid, Israel was awarded the entire amount in a lump sum at the beginning of the fiscal year.

Slicing More Out Of Israel Aid Package

Another slice out of the Israel aid package approved by Congress for the current fiscal year will almost certainly be taken in March, with Israel's \$1.8 billion package of military aid laid out on the chopping board together with security assistance programs to other countries.

Israel has not yet received the bulk of its military grant and the Reagan Administration has said that all fiscal year 1986 military aid will be cut, including

that of Israel.

What happens to Israel aid for fiscal year 1987 appears to be anybody's guess. The President is expected to present his budget to Congress next month, and his resistance to raising taxes suggests that the entire amount required by the Gramm-Rudman law to be cut from the federal deficit -- over \$50 billion for 1987 -will be trimmed from the budget.

But protests are already being heard from Congress that more of the brunt should be borne by the military sector while new revenue-raising strategies are adopted to save some needed programs. If the White House and Congress can't agree, new automatic cuts could resolve

the issue next fall.

In the meantime, Israel has requested about the same amount in aid for 1987 that it was awarded for this fiscal year -- \$1.2 billion in economic assistance and \$1.9 billion in military grants. The request for military aid represents a \$100 million increase over the fiscal year 1986 level.

Sounding out the Israel Embassy for expectations about U.S. aid for Israel in fiscal year 1986 evoked expressions of cautious optimism from its Economic Affairs Minister, Dan Halperin, that the White House will seek

an aid package from Congress at approximately or slightly less than the levels requested. Others are less sanguine about how pernicious the Gramm-Rudman knife might prove to be.

Another Charged Issue

Another charged issue certain to come up within the next few weeks -- the Administration's proposed arms sale to Jordan -- appears to be facing a swift

and almost pre-determined outcome.

The plan to sell Jordan a \$1.9 billion package of sophisticated American weapons, including 40 advanced fighters (F-16s or F-20s), 108 Sting er surface-to-air missiles and 12 improved Hawk surface-to-air missile units will, by all indications, be overwhelmingly rejected and the expected Presidential veto overridden, according to a staff member at the office of Sen. Richard Lugar (R. III.). Lugar is chairman of the Senate Foreign Relations Commit-

Unless the Administration opts to back down or to seek some sort of new compromise, the aide said, the President might well face a humiliating defeat on the issue -- a defeat that senior Republican lead-

ers had earlier sought to avoid.

The Jordan arms sale was temporarily put aside last fall as part of a compromise between staunch on ponents of the bill and those who hoped to avert an embarrassment to President Reagan in the face of ov erwhelming Congressional opposition to the sale.

A resolution passed by both Houses prohibited the President from selling the proposed arms package until March I, unless "direct and meaningful peace negotiations between Israel and Jordan are underway."

Trying To Buy Some Time

In a recent press briefing, however, Lugar said that the "faltering" Middle East peace process would result in the introduction of a disapproval bill well before the March deadline and probably soon after the resumption of Congress last week. He said the Foreign Relations Committee would hold a hearing on the peace process almost immediately after the recess

Lugar and Senate Majority Leader Robert Dole (R. Kans.) are currently seeking support for a resolution that would extend the March deadline, allowing the White House to buy some more time while it

works to push the peace process ahead.

The Administration's decision to send Assistant Secretary of State Richard Murphy to Europe two weeks ago for separate meetings with King Hussein of Jordan and Israeli Prime Minister Shimon Peres has been interpreted in part as a final attempt to avert a Congressional resolution blocking the arms sale by demonstrating some progress toward peace talks.

Peres is on a European tour to win support for efforts to boost the peace process, possibly through an international conference that would serve as a backdrop for direct negotiations between Israel and

Jordan.

Even if Murphy brings back with him some new evidence of movement, however, it would have to be substantial to change minds in Congress, especially in light of the budget worries on post Gramm-Rudman Capitol Hill,

In testimony before the Senate Foreign Relations Committee last fall, Secretary of State George Shultz acknowledged that the U.S. would probably be asked to foot most of the bill for the arms package to Jordan.

In any case, Murphy is already reported to be warning from Europe that no "dramatic" breakthroughs should be expected from his trip.

Gearing Up For Another Battle

Meanwhile, some members of Congress have already begun gearing up for another battle over arms to the Middle East -- a battle that the Administration has

not yet officially launched.

A new "Dear Colleague" letter that began circulating in the House during the winter recess says the Administration is trying to sell Saudi Arabia a \$1 billion arms package that includes Sidewinder missiles, Stinger missiles and launchers, Blackhawk helicopters, Harpoon missiles, and electronic components to enhance the offensive capability of Saudi fighter aircraft.

The letter, circulated during the recess with 12 signatures, seeks co-sponsors on a resolution to reject the sale should the President notify Congress of his

intent to go ahead with the proposed package.

In the Senate, Alan Cranston (D. Calif.) announced earlier this month that he would lead the opposition to the Administration's still unofficial proposal, charging that the Saudis are actively giving aid and comfort to Libya while they continue to bankroll Syria and the PLO. Cranston called on the Reagan Administration to abandon plans to provide the Saudi kingdom with additional American arms.

Issue Of The Genocide Convention

Also on the foreign affairs agenda is a 37-year-old international agreement that Jews and others would like to see the Senate finally give its blessing.

The United Nations Convention Outlawing Genocide was signed by the U.S. and 95 other countries after its conclusion in December 1948. Drafted in reaction to the Holocaust, it has since been endorsed by every American President except Eisenhower.

But conservative opposition, most recently led by Sen. Jesse Helms (R. N.C.), has blocked ratification of the treaty, contending it would compromise U.S. sovereignty. Helms voted in favor of the ratification bill approved by the Senate Foreign Relations Committee last spring, after reservations were included that addressed some of his long-standing concerns. But when Dole tried to bring it to a vote at the end of last session, Helms turned around and blocked it again.

Dole has since made clear that he would make every attempt to get the bill on to the floor early in this session, in spite of a feared filibuster led by Helms and Sen. Chic Hecht, a conservative Jewish Republican from Nevada with whom Helms recently visited Israel.

But this time it appears that Hecht will be taking the lead in blocking ratification, with vigorous support from Helms. Hecht had a "heated exchange" with Sen. Howard Metzenbaum (D. Ohio), in which the Nevada Senator said he would bring strong documentation to the Senate floor supporting his claim that the Convention could be used against Israel, according to a staff member at Hecht's office.

Israel is a signatory to the genocide treaty, and Jewish groups have long been urging its ratification. Some Republicans who supported the reservations endorsed by the Administration and which is now attached to the ratification bill, appear confident that a conservative filibuster can be overcome as long as no similar attempt to block a vote comes from liberal Democrats who maintain that the reservations have watered down the spirit of the treaty.

But an aide in Lugar's office said he thought it unlikely that supporters of the treaty would permit another delay by opposing the reservations.

WEIZMAN MEETS WITH MUBARAK By Gil Sedan

JERUSALEM, Jan. 26 (JTA) -- Ezer Weizman met with President Hosni Mubarak of Egypt in Cairo today. He flew there secretly this morning on a special mission, the purpose of which was not disclosed but is believed to be an urgent attempt to arrange a summit meeting between Mubarak and Premier Shimon Peres.

Weizman, a Minister-Without-Portfolio attached to the Prime Minister's Office, was accompanied by Gen. (Res.) Avraham Tamir, Director General of the Prime Minister's Office, who has been closely involved in recent negotiations with Egypt. This trip was approved by Peres -- who is in West Germany today -- by Foreign Minister Yitzhak Shamir and Defense Minister Yitzhak Rabin.

Weizman and Tamir were reportedly joined by Israel's Ambassador to Egypt, Moshe Sasson, at their session with Mubarak. Weizman, who has had close contacts with Egyptian officials since his par-ticipation in the Camp David talks seven years ago, is said to fear that unless a Peres-Mubarak summit takes place soon, the entire peace process could be in jeopardy. Peres is believed to share this

Further Strain In Israeli-Egyptian Relations

Israel's cool relations with Egypt were further strained last week by the unenthusiastic reception given in Cairo to Israel's offer of a package deal to settle the Taba border dispute by international arbitration -- as Egypt has demanded -- and move at the same time to revive the stalled process of normalization between the two countries. The Egyptians insist that a summit date can be set only after a date is set for arbitration to begin.
They infuriated many Israelis by flatly refus-

ing to give Israel the report of the special commission set up to investigate the murder of seven Israeli tourists by an Egyptian soldier at Ras Burka in

eastern Sinai last October 1.

Weizman reportedly telephoned Mubarak over the worsening situation and was told by the Egyptian leader that he had an open invitation to visit Cairo. Weizman is also said to have informed Mubarak he would keep his visit secret lest it be jeopardized by elements of Likud. Likud circles in fact openly criticized their party leader Shamir today for appro ing Weizman's trip.

Urgency Of Visit To Cairo

The urgency of his visit was underlined by the fact that Tamir, in effect a personal emissary of Peres, flew in from Europe where he had been escorting the Premier and immediately boarded Weizman's plane to Cairo.

No details of the meeting with Mubarak were reported here. Weizman is believed to have explain ed to him the importance of the decision by the Inner Cabinet on January 13 to offer Egypt a package deal including arbitration over Taba

Observers here said tonight that unless Weizman returns from Cairo with an agreement for an early summit, Peres' prestige, no less than his own, would suffer a severe blow and the peace process will be in danger.

ADL OFFICIAL SUPPORTS MORMON STUDY CENTER IN JERUSALEM

NEW YORK, Jan. 26 (JTA) -- Nathan Per Imutter, director of the Anti-Defamation League of B'nai B'rith, has indicated his support for the controversial Brigham Young University study center of the Mormon Church under construction on Mount Scopus

in Jerusalem.

The ADL official noted that in medieval times, custom would not permit Jews to build synagogues taller than churches. "What really counts," Perlmutter said, "is that made-by-Christians medievalisms ... not be adopted by Jews, not in this already excessively punished century, and surely not in the city that should be a light unto all cities, Yerusalayem."

Perlmutter's comments are contained in his monthly column in the ADL Bulletin, the agency's national publication. He also pointed out that "No matter compliance with Jerusalem's demanding building requirements; no matter the approbation for the project of Mayor Teddy Kollek ...; no matter the absence of evidence that Israeli Jews have converted to Mormonism, a small minority of zealots would bar the Mormons from building on Mount Scopus.

Meanwhile, a rally was held today by a group of supporters of Rabbi Meir Kahane, the Israeli Knesset member, outside the Mormons visitors bureau in Manhattan. The protestors carried placards and chanted slogans urging that the Mormons stay out of Israel and cease construction of the \$15 million Center.

BOMBS EXPLODE IN JERUSALEM AND HAIFA

JERUSALEM, Jan. 26 (JTA) -- A bomb exploded in a Jerusalem restaurant tonight and another went off in downtown Haifa during the day. Neither caused casualties but damage to the restaurant was considerable. Police detained 20 Arabs here for questioning.

The bomb in the restaurant on King George Street, a busy thoroughfare, exploded in the lavatory. Police said it was a relatively small device. Had it been larger, the damage would have been more extensive. The restaurant was evacuated and searched by security forces who found no other bombs.

The Haifa blast occurred in Paris Square where many Arab day laborers from the West Bank gather each morning to seek jobs in the Haifa area. Police detained several suspects.

EL AL RESUMES FLIGHTS TO MANCHESTER By Hugh Orgel

TEL AVIV, Jan. 26 (JTA) -- El Al announced it will resume its weekly flights to Manchester in the British midlands after reaching a compromise with the airport authorities there in a dispute over security arrangements.

Israel's national air carrier had cancelled the Manchester flight a week ago because its check-in counter was moved from the main concourse to a basement area serving flights to Belfast. The airport authorities admitted security concerns arising from the December 27 terrorist attacks on El Al passenger facilities at the Rome and Vienna airports in which 19 died.

El Al protested the move. Under the compromise agreement, its passengers will identify themselves at the regular check-in area and proceed with their baggage through passport control near the departure gates. Customs will inspect their baggage at that point from

where it will be transferred to the plane.

A similar situation arose at Heathrow, London's main airport, where the El Al counters were moved from the international departures terminal used by all foreign airlines to a separate terminal utilized by British Air-ways only for domestic and overseas flights. El Al agreed to the change, but under protest.

TRIFA IS STILL IN PORTUGAL

NEW YORK, Jan. 26 (JTA) -- Accused Rumanian war criminal Archbishop Valerian Trifa remains at liberty in Portugal, according to the World Jewish Congress, which today reported that it has traced him to an apartment in the Lisbon suburb of Estoril.

Sources in the Rumanian Orthodox Church hier archy in the U.S. have confirmed Trifa's where-abouts to the WJC. Confirmation of Trifa's continued presence in Portugal comes in the wake of wide spread speculation that he might have slipped into Spain.

Trifa, 71, arrived in Portugal in August 1984, after an order of deportation was obtained against him by the U.S. Department of Justice, which had charged the self-confessed former leader in the fascist Rumanian Iron Guard with complicity in a 1941 pogrom against the Jews of Bucharest.

In that rampage, dozens of synagogues were destroyed and Jewish bodies were mutilated in the city's slaughterhouses and stamped with the inscrip-

tion "kosher meat."

After the war, Trifa escaped to the United States, and eventually came to head the Rumanian Orthodox Episcopate of North America.

Portuguese Authorities Embarrassed

Following Trifa's arrival in Portugal in 1984, embarrassed Portuguese authorities insisted that they had been unaware of his past at the time they issued his travel visa.

After WJC president Edgar Bronfman cabled Prime Minister Mario Soares, urging that his govern ment "take the necessary steps to insure the removal of this notorious individual from your country," the Portuguese Minister of Internal Affairs intervened to deny Trifa's petition for permanent residence. Trifa appealed the decision.

The WJC also revealed today that after his deportation, Trifa was stripped of his social security benefits by the U.S. government. According to the WJC, however, Trifa still receives a pension from his U.S.-based church and draws additional income from his personal investments.

U.S. REJECTS ISRAELI CHARGE THAT SYRIA, NOT LIBYA, WAS BEHIND THE ROME AND VIENNA AIRPORT ATTACKS By David Friedman

WASHINGTON, Jan. 26 (JTA) -- The Reagan Administration has rejected the charge by Israeli Defence Minister Yitzhak Rabin that Syria, not Libya, was behind the terrorist attacks at the Rome and Vienna airports December 27. Rabin made the charge before a visiting United Jewish Appeal group last Thursday night in Jerusalem.
"We have found no evidence of direct Syrian

government complicity in the Rome and Vienna attacks," State Department spokesman Bernard Kalb said on Friday. Kalb stressed that "the United States has evidence, that it finds irrefutable, that links

Libya to the two airport explosions.

However, Kalb noted that the Abu Nidal organ ization, the Palestinian terrorist group responsible for the airport attacks, "continues to maintain offices in Damascus and Syrian-controlled Lebanon and appears to have drawn on these resources in the airport attacks.

The spokesman stressed that "the Syrian government is already well aware of our concern over its

support for terrorism, including the presence in Syria and the Bekaa Valley of Abu Nidal facilities and personnel. And we believe that Syria should rid itself of Abu Nidal.

However, Kalb added, "at the same time out focus is primarily on Libya because it is the leading supporter of Abu Nidal and supported other recent attacks, including the hijacking of the Egyptian airliner in which Americans were singled out for assassination.

The State Department has acknowledged for several weeks that the terrorists who attacked the Rome and Vienna airports came from Abu Nidal camps in the Bekaa Valley and travelled through Damascus on their way to Europe. But it has denied any Syrian prior knowledge of the attacks while urging Syria to expel the Abu Nidal organization.

Observers believe this attitude is due in part to U.S. hope that Syria will help obtain the release of American hostages in Lebanon. The Administration also hopes that while there is little chance Syria will join the Mideast peace process, it could be convinced

not to try to sabotage it.

ISRAEL TO RETURN \$51 MILLION TO U.S.

JERUSALEM, Jan. 26 (JTA) -- Israel will return to the United States next month \$51 million of the \$1.2 billion economic aid grant it received in a lump sum last October I, the beginning of the 1986 fiscal year, it was announced Friday.

The refund is voluntary on Israel's part. It will be madeto help the Reagan Administration meet the budgetary constraints imposed by the recently legislated Gramm-Rudman law. All recipients of U.S. economic and military assistance are affected as a result of the across-the-board 4.3 percent reduction

in foreign aid mandated by Congress.

It was reported, meanwhile, that the Ministerial Economic Committee is considering an extension of the current price freeze in some sectors of the economy beyond the June I expiration date. This is being studied in connection with proposals the government will make to Histadrut when new wage negotiations begin next month.

TU B'SHVAT MARRED By Gil Sedan

JERUSALEM, Jan. 26 (JTA) -- Tu B'Shvat, the New Year of Trees, took a sour turn at the West Bank Arab village of Katana near Jerusalem Saturday when officials of the Israel Land Administration (ILA) prevented a group of Arabs and Jews from planting olive trees there.

Ownership of the land is in dispute. The Arabs and Israeli Jews who back them say it is private. The ILA insists the land is State-owned and cannot be utilized without permission. Two weeks ago the authorities prevented local Arabs from planting at the location.
Yesterday, ILA officials ripped out the saplings as
soon as they were pressed into the soil.
When the Arab-Jewish planters came to the site,

ILA officials backed up by armed border police and representatives of the military government were on hand to confront them. They were warned that anyone who planted would face prosecution under the law.

Jonathan Kutab, an attorney representing the group, insisted the land is privately owned. But they agreed to halt planting pending a hearing on the matter in court.