

ISRAELI SAILOR KILLED BY GUNFIRE FROM LEBANESE SHORE; IDF UNITS SEARCHING FOR TWO MISSING IDF MEN By Hugh Ortel

TEL AVIV, Feb. 18 (JTA) -- A sailor aboard an Israel Navy patrol boat was killed by gunfire from the Lebanese shore Tuesday morning as armored Israel Defense Force units fanned out of the border security zone into south Lebanon to search for two IDF soldiers kidnapped Monday by Shiite Moslem extremists. A soldier of the Israel-backed South Lebanon Army (SLA) was also kidnapped and two SLA soldiers were killed in a convoy ambush inside the security zone Monday.

Military sources identified the slain sailor as Daniel Amar, 19, a naval rating from Netanya. He was the victim of a sharpshooter who fired at the patrol boat from a beach near Tyre. He was the third Israeli military fatality since the IDF was withdrawn from south Lebanon eight months ago.

The identities of the kidnapped soldiers have not been made public nor were details of the massive search operation announced. But reports from the Lebanon border area Tuesday said a large IDF force consisting of hundreds of armored personnel carriers, halftracks, tanks and busloads of soldiers entered south Lebanon. IDF helicopters were participating in the search.

The reports said a number of suspected terrorists were detained. They are understood to be members of Hisbullah (Army of God), an extremist Shiite group linked to Iran. Hisbullah is believed responsible for the ambush of the three-car convoy carrying IDF and SLA soldiers near Beth Yahun village and is probably holding the kidnapped soldiers hostage.

Israel To Continue The Search

Premier Shimon Peres, visiting Tel Aviv Tuesday, vowed that Israel would continue the search and other operations in south Lebanon until its objectives are achieved, in this case the rescue of the kidnapped men. "Israel will exhaust every possibility to find them. Every person in Israel is a world on his own and dear to us all," Peres said.

Defense Minister Yitzhak Rabin, who visited the scene of the ambush, told reporters Tuesday that large caches of arms have been uncovered in many south Lebanon villages being searched for the missing soldiers. He said that when the operation is completed, the IDF troops and equipment will be returned to routine duties in Israel. Only a small number of IDF personnel will remain in the security zone to act as liaison and instructors with the SLA, Rabin said.

He said the 3-to-12-mile security belt, established when the IDF pulled out of Lebanon last June, had proved its worth. He added, however, that it has become obvious that the defense methods and equipment used must be changed from time to time in light of changing circumstances.

During the operation Tuesday, helicopters showered leaflets on Lebanese towns and villages warning the population not to be drawn into hostile activities against the IDF. The Hezbollah is probably the most militant and fanatical of the anti-Israel groups in south Lebanon.

According to Israeli experts familiar with the Shiite population, the kidnappings of the soldiers and the taking of hostages from among the tiny Jewish community in Beirut — three have already been slain — is the work of Hezbollah. The kidnappers of the Beirut Jews call themselves "The Organization of the Oppressed of the World," but according to the experts, Hezbollah operates under a variety of names in order to create confusion and deflect blame.

The Israeli experts say the latest rash of kidnappings has angered Amal, the main militia and political organization of the Shiite majority in south Lebanon. The extremists are trying to show up Amal as soft on Israel, the experts say. Amal had been the chief source of attacks on the IDF when it still occupied south Lebanon but became more restrained after the IDF left.

SOLONS URGE JUSTICE DEPARTMENT TO ISSUE INDICTMENT OF ARAFAT

By David Friedman

WASHINGTON, Feb. 18 (JTA) -- The effort to have the Justice Department seek an indictment of Palestine Liberation Organization leader Yasir Arafat for the murder of two American diplomats in the Sudan in 1973 has taken on increased weight with a letter signed by Senators urging Attorney General Edwin Messe to initiate the action.

"We urge the Justice Department to assign the highest priority to completing this review and to issue an indictment of Yasir Arafat if the evidence so warrants," said the letter written by Sens. Frank Lautenberg (D., N.J.) and Charles Grassley (R., Iowa).

Both the Justice and State Departments have said they are studying the matter since it was first proposed late last year by Charles Lichtenstein, a senior Fellow at the Heritage Foundation, who is a former Deputy Ambassador to the United Nations.

Information Links Arafat To Killing

The letter to Meese from the Senators noted that the Justice Department has received information linking Arafat "to the brutal 1973 slaying of Ambassador Cleo Noel and Charge D'Affaires G. Curtis Moore in Khartoum."

The Senators pointed to reports that "the U.S. government has a tape recording of an intercepted message in which Arafat allegedly ordered the assassination" of the two Americans, who were taken hostage when the Saudi Arabian Embassy in Khartoum was seized by Palestinian terrorists on March 2, 1973.

An indictment "would send a clear signal to the world of our unfaltering commitment to see justice done and terrorism punished," Lautenberg said. He said it would be "a new avenue to fight terrorism" which "can be taken unilaterally by the United States."

In addition, if Arafat was indicted, it would make it difficult for him to travel in Western Europe and other countries, Lautenberg said. "It would thus deny him some measure of mobility and access to international support," he asserted.

A STEP TOWARD GREATER SELF-RULE IN THE WEST BANK

By Gil Sedan

JERUSALEM, Feb. 18 (JTA) -- The civil administration in the West Bank is in the process of replacing

mayors of Arab villages installed by the Israeli authorities some years ago with local leaders who have more popular support. The latest instance, representing a small step toward greater self-rule, was the appointment Monday of Ibrahim Abu-Hammad as Mayor of Yatta, a town near Hebron. A member of one of the largest clans in Yatta, Abu-Hammad replaces the mayor of a neighboring village whom the previous administration placed in Yatta after dismissing the elected town council nine years ago.

Col. Ephraim Sneh, head of the civil administration, acted in response to a petition from the leading clans in Yatta and provided the new mayor with an initial grant of \$50,000. The petition was initiated following the success of similar action in Nablus which now has a new mayor, Zafer Al-Masri, by popular demand.

Other Arab towns and villages in the territory are pressing for new mayors to replace Israeli appointees. They have been encouraged to act by the Israeli government's avowed intention to improve the "quality of life" of the inhabitants of the administered territories.

Sneh said Monday that two groups from El Bireh, an Arab town north of Jerusalem, have presented candidates for mayor and there are signs of a grass roots movement developing in Ramallah.

JEWISH AGENCY BOARD REAFFIRMS THE STRUGGLE FOR JEWS IN THE USSR, COUNTRIES IN DISTRESS WILL CONTINUE UNTIL THEY ARE ALLOWED TO EMIGRATE
By Yitzhak Rabi

NEW YORK, Feb. 18 (JTA) — The Board of Governors of the Jewish Agency opened its meeting here Tuesday with a declaration on behalf of Anatoly Shcharansky, read to him by telephone to Jerusalem by Jerold Hoffberger, Board of Governors chairman, while more than 300 participants at the meeting listened.

The declaration stated: "The Board of Governors of the Jewish Agency for Israel reaffirms that the struggle on behalf of all human rights will not cease until religious and civil liberties are extended to all peoples in the Soviet Union and until our brothers and sisters in all countries of distress are allowed to emigrate to Israel and be reunited with the Jewish people."

Shcharansky Thanks American Jews

Shcharansky, responding, expressed his gratitude for the efforts of the American Jewish community on his behalf. "I am happy to talk to the 'five star generals' of world Jewry," he said to the laughter of the audience. He said he would continue together with American Jews to fight for the freedom of the remaining Prisoners of Zion in the Soviet Union and other Jews who want to emigrate.

The aliya activist and dissident who was released from a Soviet prison and flew to Israel just a week ago, spoke, in addition to Hoffberger, to Leon Dulzin, chairman of the Jewish Agency Executive, and to other Board members.

The meeting was the first time the 74-member Board met in the U.S. and the first time their meeting was open to other Jewish leaders from the U.S. and Canada and to the press. More than 200 Jewish leaders from the U.S. and Canada joined the Board members for the two-day meeting.

Topping the agenda is the budget for fiscal year 1986/87 and plans for the annual Jewish Agency Assembly in Jerusalem June 22-26. The projected budget is \$381 million, in addition to \$48 million for Project Renewal. Other issues on the agenda include rural settlements in Israel under Jewish Agency care and the difficult economic problems they face.

INTERNATIONAL COUNCIL OF LAWYERS TO WORK FOR THE RELEASE OF ALL THE IMPRISONED SHCHARANSKYS AND MANDELAS
By Michael Solomon

MONTREAL, Feb. 18 (JTA) — Irwin Cotler, the attorney who represents Anatoly Shcharansky, South African prisoner Nelson Mandela, and various Soviet refuseniks, announced here Monday the establishment of an international council of lawyers who will "work relentlessly" for the release of all the Shcharanskys and Mandelas now rotting in various prisons in the USSR and South Africa.

Speaking at a news conference at McGill University, where he is a law professor, the day after his return from a week's visit with Shcharansky in Israel, Cotler pledged to personally intervene with Canadian Minister for Foreign Affairs Joe Clark to use the good offices of his government to obtain the immediate release of Mandela, as well as exit visas for refuseniks Ida Nudel, Yosef Begun and Viktor Brailovsky and their families, and other refuseniks on humanitarian and family reunion grounds.

Cotler indicated that top priority would be given to the case of Nudel. "If there is one person who is more entitled to emigration on family reunion and humanitarian grounds it is Nudel," he said. Nudel, reportedly in poor health, is currently living in the Moldavian town of Bendery following a four-year term of exile in a remote Siberian location. She has a sister, Ilana Friedman, in Tel Aviv.

Reviving speculation about another possible East-West prisoner-exchange deal, involving Mandela, Cotler suggested that the Canadian government act as an intermediary between the Soviet and South African governments to help bring this to fruition.

ZACHARIAH SHUSTER DEAD AT 83

NEW YORK, Feb. 18 (JTA) — Funeral services were held Monday for Zachariah Shuster, a director of the American Jewish Committee's European office for some 25 years, who died here last Saturday night of cancer at Mount Sinai Hospital. He was 83 years old and lived in Manhattan.

Born in Poland, Shuster came to the United States in 1927 and began to work for the AJC during World War II. In 1945, he was a member of the AJC delegation to the founding of the United Nations in San Francisco.

In 1948, he became the director of the AJC European office in Paris, from where he directed programs to aid Jewish communities decimated by the Holocaust. Fluent in seven languages and with a formidable knowledge of Judaism and Christianity, Shuster represented the AJC at the Second Vatican Council in 1962.

He remained head of the AJC's Europe office until 1974, after which he became a consultant. He returned to the U.S. in 1981 and continued to advise the AJC on European affairs and relations with the Vatican and the World Council of Churches.

Rabbi Marc Tanenbaum, director of the AJC's international relations department, described Shuster

as "a moral giant among Jewish professionals Zach Shuster gave 40 years of brilliant and dedicated service to world Jewry, and to the cause of human rights and Jewish-Christian understanding." On Monday, March 17, a memorial service for Shuster will be held at the AJC's headquarters in New York.

NJCRC LEADER URGES JEWISH COMMUNITY AGENCIES TO CAMPAIGN FOR THE NEEDS OF AMERICA'S DISADVANTAGED

NEW YORK, Feb. 18 (JTA) — Challenging "the voices in our midst who ask whether the basic thrust of the Jewish community relations field's domestic agenda is outmoded and unresponsive to American Jewry's self-interest," Jacqueline Levine, a top official of the National Jewish Community Relations Advisory Council (NJCRAC), declared that such questions are based on misreadings of American Jews' political opinions and voting patterns.

She countered by calling upon Jewish community relations agencies to support, as part of their domestic agenda, continued pressure on the federal government to meet its responsibilities to the nation's disadvantaged.

Levine, who stepped down after three years as chairperson of the NJCRAC, the national coordinating body for the field of Jewish community relations, delivered a keynote address Sunday to delegates attending the organization's annual plenary session at the Waldorf-Astoria Hotel. Michael Pelavin succeeds Levine as chairperson.

Noting that the Jewish community relations field's success during the past 40 years in removing discriminatory barriers and building a pluralistic society has enabled American Jewry to become materially and politically strong, Levine stated that the community's continuing liberal stances and voting patterns on such issues as affirmative action, abortion, and school prayer and domestic social programs "grow out of a Jewish experience reflecting 3,500 years of Jewish survival.

"Out of our anxiety about that very survival, and out of our Jewish value system," she explained, "emerge our instinctive understanding that conditions which threaten the fundamental rights of any individual in society pose a special threat to Jews."

The Challenge Facing Jewish Agencies

The challenge facing Jewish community relations agencies today, Levine asserted, is "whether we are ready once again to assume the responsibility of arousing what is best in the American people; their compassion, their understanding, their belief in the American creed."

Citing recent Census Bureau data indicating that 33.7 million Americans—including 13 percent of all families, 21 percent of all children under the age of 18, and 33 percent of the nation's black population—still live at or below the nation's official poverty line, Levine decried political leaders who hold "that such conditions are either intractable and impervious to solution, or that 'market forces,' rather than government intervention, is the best mechanism to solve such conditions."

Asserting that the Jewish community relations field must respond to the total agenda facing American society, Levine pointed to the dangers of restricting the community relations field's interests and activities solely to concern for Israel, Soviet Jewry and other threatened Jewish communities.

"Were we to do so," she declared, "we would run the risk of starving the very soil of the country and culture in which we have set down our roots, which has enabled us to grow strong and influential as advocates in behalf of Israel, and which today helps us to sustain our hard-won standing in this society."

JEWISH LEADER APPOINTED VENEZUELA'S CULTURE MINISTER

CARACAS, Feb. 18 (JTA) — The President of Venezuela has appointed Paulina Gamus as the nation's Minister of Culture, the first time in the country's history a Jew has achieved a Cabinet-level post, the World Jewish Congress reported Tuesday.

The appointment of Gamus is engendering particular enthusiasm within the Jewish community, not only because it represents a further example of the growing participation of Jews in Latin American public life, but also because of her widely-known identification with the country's Jewish communal activities.

Gamus was formerly executive director of the Confederación de Asociaciones Israelitas de Venezuela, the central representative body of Venezuelan Jewry and the WJC affiliate here. She is presently a member of the Committee for the Rights of Soviet Jews.

Within Latin American the Venezuelan Jewish community is recognized for its institutional solidarity and for being the only Jewish community on the continent which has grown in the last several decades. Current estimates place the Jewish population at 25,000.

Gamus has had a spectacular political career serving as a member of Parliament and Vice Minister before being appointed Minister by President Jaime Lusinchi, of whose party, Accion Democratica, she is an active member.

ARGENTINE AUTHORITIES WILL NOT GRANT BAIL TO ACCUSED NAZI WAR CRIMINAL

NEW YORK, Feb. 18 (JTA) — Accused Nazi war criminal Walter Kutschmann will not be granted bail by Argentine authorities pending a decision on a request for extradition by West Germany, according to information received here by the Latin American Affairs Department of the Anti-Defamation League of B'nai B'rith.

Kutschmann was denied bail by an Argentine court and the decision has been upheld by that nation's Federal Appeals Court. Kutschmann was taken into custody by Interpol in November at the request of West Germany after having lived under a false identity in Argentina since 1957.

According to Elliot Welles, director of ADL's Task Force on Nazi War Criminals, Kutschmann is accused of having directed the mass murder of 1,500 Polish Jews and the assassination of 20 Jewish professors in Poland and 18 members of their families.

BRUSSELS (JTA) — A Soviet Jewish merchant seaman who jumped ship in Antwerp two months ago has asked Belgium for political asylum. Daidis Rosenberg, who has a family in the Soviet Union, deserted from the Russian freighter Engineer Netchiporenski on December 18. The Belgian authorities have refused to disclose his whereabouts despite protests from the Soviet Embassy here that they were violating international law and human rights. Rosenberg's appeal for asylum has been routinely transferred to the local representative of the High Commissary for Political Refugees and is currently under consideration.

THE ECONOMIC SITUATION IN ISRAEL

By David Landau and Gil Sedan

JERUSALEM, Feb. 18 (JTA) -- The economic good news of recent days has produced a sharp divergence of views between Premier Shimon Peres and Finance Minister Yitzhak Modai over economic policy in the months ahead. Labor and Likud are also clashing bitterly, with each unity coalition partner accusing the other of trying to manipulate the economy to benefit its future election prospects.

Peres, a strong supporter of Modai's austerity economic program until now, asserted over the weekend that with the inflation rate at a record low of 1.3 percent in January, the time has come to ease restrictions and strive for economic growth and higher employment.

Modai, a Likud Liberal, insists that many more months of economic restraint are needed if the recovery program launched last August is to be a lasting success. "If the (money) presses start rolling again, I shall quit," Modai threatened in a television interview.

Charges And Counter-charges

Within the Labor Party, allegations are mounting that Modai and Likud are deliberately keeping a lid on the economy now in order to be able to ease restrictions dramatically after Peres turns over the Premiership to Foreign Minister Yitzhak Shamir, the Likud leader, next October 13, as required by the Labor-Likud coalition agreement.

Likud politicians, for their part, accuse Peres of seeking a coalition crisis to break up the unity government in order to avoid the mandatory rotation of leadership. They charge further that Labor wants to ease the squeeze on government spending in order to pour money into economically ailing Histadrut enterprises such as Solel Boneh, the giant construction cooperative, Kupat Holim, the Histadrut sick-fund, and the Labor-affiliated moshavim.

In a television interview Sunday, Peres said, "It is not a sin to defend Histadrut firms ... I do not want unemployment to break out in the country." He denied he wants to increase the State budget, but insisted that some government savings should be channeled into industry to promote growth. "Part of it should be used for investment and part returned to the citizens," he said. The government in fact announced Monday moderate cuts in fuel prices. Gasoline is down three percent and heating oil five percent.

Modai, in a speech to the Association of Chambers of Commerce in Tel Aviv last Thursday, warned, "we cannot help failing enterprises. The Labor Alignment wants to waste the meager resources we have to increase the expenditures of the education, health, agriculture and defense ministries," all headed by Laborites.

Peres told a Labor Party meeting in Haifa that he wanted to divert \$500 million "saved by the government" to aid viable industries that were suffering transient difficulties. He dismissed the Likud claims he was seeking to inject funds into failing Histadrut companies.

The savings have been affected by external developments for which neither coalition partner can claim credit -- the plunging price of oil on the world market and the decline of the U.S. Dollar against European currencies. Most of Israel's exports go to Europe.

Laborites charge that Modai has been quietly sitting on government funds to be able to pour them into West Bank settlements as soon as Shamir takes over the reins of government. Such arguments are directed at the development towns in Israel, which have been starved of funds this past year.

Vitriolic Cabinet Meeting

There was an exceptionally vitriolic Cabinet meeting Sunday. Modai responded angrily to Health Minister Mordechai Gur who had called him a "liar" and to Energy Minister Moshe Shahal who accused him of deliberately withholding government funds from his ministry. He told Gur, "I am sick and tired of your fat, self-satisfied face" and suggested that Shahal be given a daily newspaper column to "sound off."

Modai apologized Monday for "certain expressions" at the Cabinet table. A furious Peres vowed on television that he would not allow such acrimonious exchanges again as long as he is Premier.

This is not the first time an economic debate has taken on partisan political coloration. Well-placed sources close to Peres told the Jewish Telegraphic Agency Sunday that they could not envisage the unity government collapsing over economic policy, especially since Peres himself has been closely identified with that policy.

The Premier's argument for easing restrictions to promote economic growth was gravely weakened Sunday evening when Prof. Michael Bruno, one of Israel's leading economists, warned in a telephone interview from London that the achievements of the economic plan -- which Bruno helped draft last summer -- would be threatened if "growth" became an excuse for easing up too soon. He said real growth should come "naturally" and the economy was beginning to show signs of "natural" growth.

Demonstration Outside Prime Minister's Office

Meanwhile, about 200 mayors and employees of development towns demonstrated outside the Prime Minister's Office Sunday against what they said was the Treasury's failure to keep its promises to provide funds to ease their financial crises. They charged that the government created the situation in past years by deferring local budget allocations thereby forcing the towns to take high interest loans.

The protest was bi-partisan. Yossi Peres, Laborite Mayor of Tiberias, said the development towns would go bankrupt because they will be unable to pay their employees or suppliers. Meir Shitrit, a Likud MK who is Mayor of Yavne, said a mere \$34 million was needed to ease the crisis and could be raised easily, if the government, for example, levied the full statutory income tax on company and government cars for senior officials. Peres promised to appoint a committee to review their demands.

JERUSALEM (JTA) -- Israel and Egypt reported some progress at the end of another round of talks on Taba last Saturday night. The Egyptian delegation left Herzliyah Sunday and the talks are to resume in Cairo early in March.

JERUSALEM (JTA) -- An international exhibition of rare Judaica objects will open at the Hilton Hotel here May 4. The fair, the first of its kind, is expected to bring together more than 400 worldwide Judaica dealers.