



REAGAN THANKS PERES FOR HIS SUPPORT OF U.S. NAVAL ACTION AGAINST LIBYA

By Yitzhak Rabi

NEW YORK, April 3 (JTA) -- President Reagan telephoned Premier Shimon Peres from his California ranch Wednesday evening to thank the Israeli leader for his support of the U.S. naval action against Libya in the Gulf of Sidra last month.

Reagan also "expressed his support for the ideas and initiatives of Peres, as expressed in his talks in Washington, and promised that the U.S. will support the efforts to complete the negotiations between Israel and Egypt (over the Taba border dispute and normalization of relations) and will press for a breakthrough in relations between Jordan and Israel," an Israeli spokesman said.

He said that Peres, who was in Washington Tuesday for meetings with Vice President George Bush, Secretary of State George Shultz and other Administration officials, conversed with the vacationing Reagan for about 10 minutes from his suite at the Regency Hotel here.

Peres thanked the President for his call and reiterated Israel's support for the Gulf of Sidra action. He told Reagan, "You were brave and right (about Libya) and the people of Israel stand behind you," the spokesman reported.

Peres said in Washington Wednesday that he had discussed certain "initiatives" with Shultz for moving the stalled Middle East peace process forward, but that it was premature for him to disclose the nature of the initiatives. Reagan, who received a report of Peres' talks with Shultz and Bush, was referring to those initiatives in his telephone conversation with Peres.

Israel May Ask UN for Waldheim File

The Israeli Premier was guest of honor Wednesday night at the 50th anniversary dinner of the World Jewish Congress at the Waldorf-Astoria Hotel. At a brief press conference just before the dinner, Peres told reporters that Israel may ask the United Nations to release the file and secret documents relating to the war-time activities of its former Secretary General Kurt Waldheim.

The WJC and other Jewish organizations have been urging incumbent UN Secretary General Javier Perez de Cuellar to make public the documents, which they believe will confirm other evidence that Waldheim has a Nazi past. The documents originated with the now long-defunct United Nations War Crimes Commission.

Peres told the WJC dinner guests, "I must say I did not know the UN holds some secret documents. I don't see any reason why an organization like the UN should keep anything secret." He added, "If there is a need," Israel will ask the UN to release its documents on Waldheim.

The WJC reported earlier Wednesday that it has received a formal request from the Israel government for all of its documents and other material on Waldheim's activities when he served as a Wehrmacht lieutenant in the Balkans, attached to the German General Staff. The request was made so that Israel could begin its own investigation of Waldheim's past, the WJC said.

Appeals to USSR on Emigration

In his address to the WJC dinner, Peres appealed to the Soviet Union "to open the gates" for the emigration of Soviet Jews to Israel to reunite with their families. "We do not hate the Russians. All we are interested in is Israel's security and the fate of the three million Jews in the Soviet Union," the Premier said. He called on the USSR to change its policy in the Middle East.

On the issue of Middle East peace, Peres said the economic situation in the region is a major factor in any plans to reach a peace settlement. He noted that as a result of the continued decline in the price of oil, many Arab states have lost tremendous amounts of money. Arab oil producers have lost some \$100 billion in oil revenues while Europeans and Japan have gained an estimated \$70 billion.

Peres suggested that the Europeans and Japan should consider investing "a small portion of this gain in the political infrastructure and stability of the Middle East."

U.S. TO STUDY PERES' PROPOSAL FOR A MIDEAST 'MARSHALL PLAN'

By David Friedman

WASHINGTON, April 3 (JTA) -- The Reagan Administration said Thursday it has agreed to study a proposal by Israeli Premier Shimon Peres for the creation of a "Marshall Plan"-like development fund for the Middle East "as the way to foster a better climate for peace" in the region.

"While we see potential political and financial obstacles to the Prime Minister's proposal, we support its overall objective: economic development for peace in the region," State Department spokesman Bernard Kalb said. Kalb said that Peres discussed the economic plan, which would be financed by various countries and international banks, during his talks here on Tuesday with Secretary of State George Shultz and other Administration officials.

The U.S. has agreed to discuss the proposal with its allies, according to Kalb. Peres reportedly has urged that the U.S. and the other major Western industrialized countries, including Japan, finance a \$20 to \$30 billion development fund.

Peres argued this week in public statements that the West Europeans could return some of the large amount of money they have saved from the drop in the oil prices, to the Arab countries which are suffering economically because of the falling prices. Peres apparently believes this pragmatic approach is needed to foster the peace process at a time when the political effort appears stalled.

A Major Problem

But a major problem, even if the Arab countries were to agree, is how the fund would be financed at a time when the U.S. is going through a budget crunch. When Peres was asked how it would be financed at a press conference here Tuesday, he quipped, "not through Gramm-Rudman," a reference to the recently enacted U.S. law requiring mandatory budget cuts if the

federal deficit is not reduced according to fixed annual guidelines. Kalb said Thursday that it was too early to discuss financing.

It has long been an argument made by Israelis, as well as American Jewish leaders, that economic cooperation between Israel and its Arab neighbors would benefit everyone in the region and bring about peace.

At a White House briefing for the Conference of Presidents of Major American Jewish Organizations last month, its chairman, Kenneth Bialkin, told President Reagan that if Egypt, Jordan and Israel worked together on a joint economic program, "that may bring peace faster than arms." Bialkin's remarks came after he voiced concern over the U.S. selling arms to countries that do not support the peace process.

PERES: MIDEAST CAN BURST INTO FLAMES UNLESS LOOMING ECONOMIC CATASTROPHE CAN BE AVERTED
By Yitzhak Rabi

NEW YORK, April 3 (JTA) -- Premier Shimon Peres warned Thursday that "the whole Middle East can burst into flames" unless the looming "economic catastrophe" in the region is averted.

"The economic issue is becoming the most urgent issue in the Middle East," Peres asserted at a meeting with Israeli reporters and later at a meeting with the Conference of Presidents of Major American Jewish Organizations at the Regency Hotel. The Prime Minister claimed that Egypt, Jordan, Syria and Lebanon are heading toward an economic disaster and their foreign currency reserves are at an alarmingly low ebb.

"We have to try to be ahead of the storm before the whole area bursts into flame," Peres said. He said economic stability in the region is necessary to create a political atmosphere to reach a peace settlement.

Proposal For a 'Marshall Plan'

Peres said that in his talks in Washington, he discussed a "Marshall Plan" for the Middle East which, he suggested should be sponsored by the European countries and Japan. Peres said the Europeans and Japanese have gained some \$70 billion as a result of the continuing decline of oil prices, while the Arab oil-producing countries lost in the process an estimated \$100 billion in oil revenues.

"I found the response in Washington to the plan positive and responsible," Peres said. At his meeting with Israeli reporters, he expressed satisfaction with his visit here and his talks Tuesday with top Administration officials. He said the Administration is firmly behind Israel's efforts for economic recovery and economic independence.

Peres said that he thought it was "unprecedented" that Secretary of State George Shultz received a large delegation of Jewish leaders, members of the "Task Force" to help Israel gain its economic independence. Shultz received the group in Washington Tuesday.

The Administration was also forthcoming in its efforts to help Israel's economic growth by agreeing to increase American purchases of Israeli goods and services, Peres said. He said the Administration was receptive to Israel's request that the U.S. increase purchases in Israel for its forces in Europe.

Rekindling the Peace Process With Jordan

The Prime Minister also said the major topic of discussion in Washington was how to rekindle the peace process with Jordan after the stalemate which developed following the breakdown of talks between King Hussein of Jordan and Palestine Liberation Organization chief Yasir Arafat.

"We have now reached such a good set of relationships between Israel and the U.S. that it is almost hard to imagine," Peres said. He described in glowing terms the warmth he encountered from President Reagan during their telephone conversation Wednesday evening and from other U.S. officials. He praised Shultz in particular, calling him "an extraordinary human being and friend of Israel."

Other Issues Discussed

Asked about the growing scandal around former UN Secretary General Kurt Waldheim's alleged Nazi past, Peres confirmed that if necessary, Israel will request the release of the file on Waldheim held by the UN. The Prime Minister, however, was reluctant to discuss the Waldheim affair at length, saying it is not a top priority on his agenda.

Asked by the Jewish Telegraphic Agency about the threat from Syria to peace in the region, Peres said that Israel should refrain from escalating the rhetoric. At the same time, he said, constant vigilance is required with respect to Syria's intentions toward Israel.

On the state of relations with the Soviet Union, Peres said "unfortunately there is no change of Soviet policy in the Middle East." He charged that the Soviets continue to supply arms to Israel's enemies and get themselves involved with "the most dangerous elements in the area."

Peres had a meeting Wednesday with President Arturo Del Velle of Panama who is also visiting New York. Del Velle, who is Jewish, told Peres he is a descendant of Marranos, secret Jews who left Spain in 1492.

Peres left for Israel Thursday night.

CHIEF RABBI OF ISRAEL'S ETHIOPIAN JEWISH COMMUNITY CALLS FOR THE ESTABLISHMENT OF A YESHIVA TO TRAIN ETHIOPIAN STUDENTS AS RABBIS
By Kevin Freeman

NEW YORK, April 3 (JTA) -- Expressing concern at the lack of religious leadership for his people, the Chief Rabbi of Israel's Ethiopian Jewish community called Tuesday for the establishment of a yeshiva to train Ethiopian students as rabbis and religious leaders in the Jewish State.

The prospective leaders must be versed in both the Ethiopian and mainstream traditions, said Rabbi Yosefe Hadane at a luncheon meeting at the offices of the American Jewish Committee here. "Only through education that includes both cultures can Ethiopians adjust completely to their new lives while retaining their ancient heritage."

Hadane's visit here is designed to gain support for the proposed yeshiva, Center for Ethiopian Heritage in Jerusalem. Four men are already studying with Hadane, and he said another twenty students are waiting to begin. Tuesday's luncheon was co-sponsored by the North American Conference on Ethiopian Jewry.

Hadane was born in Ambober, in the Gondar province of Ethiopia. He made aliya in 1972 and

studies for seven years in Tel Aviv at the Kollel Torah ve Hora'ah. He was ordained by Sephardic Chief Rabbi, Ovadi Yosef, and now is the appointed spiritual leader of the some 15,000 Ethiopian Jews in Israel.

He said the integration of Ethiopian Jews in Israeli society is "going well." "Of course there are problems," but he insisted that these are not unlike problems encountered by newly arrived immigrants to Israel since the formation of the state.

"Ethiopian Jew were cut off from world Jewry for thousands of years. But they never forget Jerusalem. They lived for the day when they would be permitted to return there. Yet they knew very little about the Western Hebrew tradition or that of Israel, so when they arrived there was what one might call spiritual shock. Nevertheless, their desire to be part of the congregation of Israel remains and grows stronger each day," Hadane asserted.

NEW SWEDISH PRIME MINISTER TO RAISE THE CASE OF WALLENBERG WHEN HE VISITS THE USSR LATER THIS MONTH By Maurice Samuelson

LONDON, April 3 (JTA) -- The new Swedish Prime Minister, Ingvar Carlsson, is to raise the case of missing diplomat Raoul Wallenberg as well as a number of other human rights issues when he pays an official visit to Moscow the week after next, Swedish diplomats said here Thursday.

Carlsson will visit the Soviet Union in answer to an invitation originally extended to his predecessor, Olof Palme, killed by a gunman in Stockholm last month. Diplomats say that Palme, too, had he lived, would have asked the Russians about Wallenberg, imprisoned in Moscow 41 years ago after saving thousands of Hungarian Jews from the Nazis.

Despite lack of recent evidence that Wallenberg is still alive, politicians from all the parties in the Swedish Parliament have said they expect their new Prime Minister to challenge the Russians about his tragic fate. Carlsson is also expected to raise Jewish emigration and other human rights matters with his hosts.

Pierre Schorri, the Swedish Foreign Minister, has raised the Wallenberg issue with Moscow three times in recent years, most recently in January.

Sweden's determination to raise the Wallenberg issue has been reinforced by the international interest it has acquired in recent years, symbolized by his being granted honorary citizenship by the U.S., Canada and Israel.

Although the Soviet Foreign Ministry invariably replies that Wallenberg died in the Lubyanka Prison in July 1947, the Swedish government claims evidence that he was in prison many years later, and maintains what it calls "a working hypothesis" that he is still alive.

At 73, Wallenberg would indeed be young enough to be alive, assuming that he has spent all these years in a controlled prison environment. But Swedish diplomats say that even after he passes his natural life-span his fate will affect their relations with the Soviet Union until it is convincingly explained.

ISRAEL SEEKING TO UNRAVEL THE MYSTERIOUS DISAPPEARANCE 18 YEARS AGO OF AN ISRAELI SUBMARINE By Hugh Orgel

TEL AVIV, April 3 (JTA) -- Israel is seeking again to unravel an 18-year-old mystery -- the disappearance of the Israeli submarine Dakar on its delivery voyage from Britain where it was purchased and taken over by the Israel Navy in 1968.

Defense Minister Yitzhak Rabin was reported Thursday to have asked the Egyptian government for clarification of a statement attributed to a former Egyptian Chief of Staff, Mustafa Fawzi, that the undersea craft was sunk by the Egyptian Navy. Fawzi was quoted in an Arabic newspaper published in one of the Gulf states.

The Dakar was posted missing on January 25, 1968. She had failed to arrive at her Israeli naval base and had not communicated by wireless. The 69 officers and crew aboard were listed as missing. Only after a number of years were they officially declared lost at sea. Until then, the rabbinical authorities would not allow their wives to remarry.

Theories abounded as to why the submersible was lost. Some suggested mechanical failure. Others said the Dakar might have struck an underwater reef. There were suggestions that she may have been the victim of terrorist activity or was attacked by a hostile country which refused to admit the attack at the time.

Egypt recently agreed to allow a non-Israeli team to explore its coastal waters for the remains of the sub. The U.S. has agreed to help. Technology to locate and photograph objects on the ocean floor has advanced tremendously in the past 18 years.

TENSION FLARES NEAR TEMPLE MOUNT By Gil Sedan

JERUSALEM, April 3 (JTA) -- Tension flared near the Temple Mount in the Old City Thursday when a routine visit by Jerusalem police chief Rahamim Comfort was taken by Moslem worshippers as a move to establish an official Jewish presence close to the Islamic shrines.

A group of worshippers, led by a member of the Moslem Supreme Council, protested vehemently against an alleged attempt to break into the Temple Mount, site of the El Aksa Mosque and the Dome of the Rock (Mosque of Omar). The latest controversy began several weeks ago when students at the Aderet Cohanim yeshiva were assigned a room near the so-called "Hakotel Hakatan" (The Small Wall) outside the Temple Mount to store furniture.

The Moslem religious authorities found a hole in the wall which they assumed was made by the students. They placed a locked gate at the entrance to The Small Wall. Police reportedly confiscated the key and kept the gate open to the public.

The Moslems erected a new gate on Thursday. But after tense negotiations with the police, the gate was allowed to remain open.

**SURVEY SHOWS THAT MORE ISRAELIS
RELY ON THE IDF THAN ON GOD
TO BE 'THE GUARDIAN OF ISRAEL'**

By Hugh Orgel

TEL AVIV, April 3 (JTA) -- The Israel Defense Force beat God by a 57-17 percent margin when respondents to a survey were asked to comment on the Biblical quotation "The Guardian Angel of Israel slumbers not, nor sleeps."

Only 13 percent thought the State of Israel was the guardian angel and 10 percent suggested it was the people of Israel. The United States came out poorly. Only 2 percent saw its role as Israel's guardian, a tie with those who said it was a case of every man for himself.

The survey, which found Israelis optimistic about peace and confident in the country's security situation, was part of a research project on national security and public opinion conducted by Tel Aviv University's Jaffee Center for Strategic Studies.

A total of 1,172 Jewish adults was polled. Kibbutz members were not included. No less than 96 percent of the respondents were confident that Israel will continue to exist and 86 percent saw no danger of another Holocaust. While most thought Israel's security situation today is not quite as good as it was prior to the 1982 invasion of Lebanon, they were sure it would improve.

Israel Can Stave Off Attacks

Three-quarters of the respondents thought that Israel could successfully repel a combined attack by all of its Arab neighbors; 94 percent were sure Israel would win a war against Syria alone; and 92 percent thought Israel would win the war against terrorism. A substantial 69 percent was convinced that Israel could sustain weakened support from the U.S.

Only 47 percent believed IDF decisions were always objective and 53 percent believed non-military and even political considerations were sometimes involved in military decisions. Only a third of the respondents agreed that decisions by the political leadership on security matters were always based on the merits of the case.

On politically controversial matters, 47 percent favored the status quo in the administered territories; 23 percent favored annexation; and 30 percent would agree to exchange territory for peace.

The respondents were split 50-50 over whether Israel should negotiate with the Palestine Liberation Organization if it renounces terrorism and recognizes the Jewish State.

**HERZOG RAPS U.S. FOR ADVISING
LAWMAKERS TO AVOID MIDEAST TRAVEL**

By David Landau

JERUSALEM, April 3 (JTA) -- President Chaim Herzog has joined Defense Minister Yitzhak Rabin in publicly criticizing the Reagan Administration for the State Department's "advisory" to members of Congress and other U.S. public figures to avoid travel to the Middle East in the immediate future because of threats by Libyan leader Col. Muammar Qaddafi.

Addressing the 35th international anniversary Israel Bonds conference here Tuesday, Herzog said: "I welcome all the delegates, but when I see the American delegation I am pleased

to note that there are still some Americans who are not prepared to take orders from Qaddafi as far as their travel plans or anything else is concerned."

Rabin told a luncheon meeting of the Foreign Press Association in Tel Aviv Monday that the State Department caution amounted to giving in to terrorism. He said it should not be the policy of a country which aspires to be the spearhead of the fight against international terrorism.

At least two U.S. Senators, Gary Hart (D. Colo.) and Bennett Johnston (D. La.) took the State Department warning seriously and cancelled trips to the Middle East which were to have included stopovers in Israel. But another Senator, Steven Symms, a conservative Republican from Idaho, visited Jerusalem this week and told a Hebrew University audience, "I'm not prepared to have Qaddafi as my travel agent."

Symms urged Israel to pursue a policy of "peace through strength" and to cooperate with the U.S. in fighting terrorism.

**HADASSAH LEADER: DON'T ALLOW TRAVEL TO
ISRAEL TO BECOME HOSTAGE OF TERRORISM**

NEW YORK, April 3 (JTA) -- The national president of Hadassah, Ruth Popkin, issued a call Thursday to all Jewish leaders and organizations, as well as to non-Jewish friends of Israel, to promote tourism to Israel by their groups and by personal example. Popkin, who will be attending meetings in Jerusalem this summer together with other officers of Hadassah, said it was important not to permit travel and tourism to Israel to become the latest hostage of terrorism.

"If we allow our travel plans to be dictated by terrorists, we hand them a victory and penalize Israel and other democratic countries they have targeted," she said.

Stressing the strict security precautions enforced by the Israeli authorities as well as all those involved in caring for visitors, Popkin said the best response to the terrorists is to heighten vigilance and help make this a banner year for tourism to Israel.

To this end, Hadassah will call on all its members to make it part of their plans to visit Israel with their families and friends and thus express their solidarity with Israel and their support for her people and her economy.

**MYSTERY OF KIDNAP - MURDER OF
AN ISRAELI SOLDIER IS SOLVED**

TEL AVIV, April 3 (JTA)-- Members of a terrorist gang connected to George Habash's Popular Front for the Liberation of Palestine (PFLP) were responsible for the kidnap-murder of an Israeli soldier, Moshe Tamam, who has been missing since August, 1984, Israeli Defense Force sources announced Thursday.

The round-up of the gang in recent days apparently solved the two-year-old mystery, the IDF said, though the investigation is continuing. The gang included several Israeli Arabs, aged 25-30. Some of the members were trained at a PFLP camp in Syria. Their capture yielded various weapons of types not used by the IDF.