

TALKS ON LAVI DESCRIBED AS FAILURES

By Hugh Orgel

TEL AVIV, June 4 (JTA) -- Defense Ministry officials assert that meetings here this week with a United States Defense Department official who is responsible for the American cost estimates on the Lavi fighter jet, the prototype of which is due to take to the air for its maiden test flight later this year, have been a dismal failure.

The officials said that unless the current 46 percent difference between the cost estimates of the two countries is appreciably narrowed, American opposition to construction of the Israeli plane, to be built with massive U.S. financial assistance, may spread from the Pentagon to other sectors of the U.S. Administration.

The U.S. official here, Dov Zakheim, Assistant Deputy Secretary of Defense, met with Defense Minister Yitzhak Rabin on Monday and has since been meeting with other Ministry officials. Zakheim claimed that his figures show that the fly-away cost of the aircraft would be \$22 million, while Israeli estimates put the figure at between \$13 and \$15.5 million.

Cost Discrepancies

The higher figure means that Israel would be able to produce far fewer planes for the funds budgeted by the U.S. in production aid than was originally estimated, and would make continuation of the program not worthwhile. The different cost figures are due to discrepancies between labor cost estimates and the price of the engine.

Zakheim said he cannot accept the Israeli contention that labor costs in Israel are based on an engineer's salary of \$30 an hour, insisting that the figure should be between \$45 and \$48 an hour. "What engineer would be willing to work for only 30 an hour?" he has been quoted as saying. There are 100,000 labor hours scheduled for the production of each plane, making the overall difference significant.

As for the engine, Zakheim insists that the Pratt and Whitney's average price will be \$4.5 million per unit, while Israel, backed by signed contracts on an initial procurement order for the engines, says that the cost will be three million dollars each.

During his visit to Israel, Zakheim is also checking into the economic implications of Israel's building three submarines in Haifa starting in 1988, and the building of Israeli Saab V missile boats in the U.S.

Israel is interested in purchasing for its Navy three conventionally-powered submarines which are no longer made in the U.S., where all submarine construction is of nuclear-powered underwater vessels.

COMPENSATION OFFERED TO SLAVE LABORERS BY SUCCESSOR FIRMS

TEL AVIV, June 4 (JTA) -- The Finance Ministry announced here that concentration camp inmates who were used as slave laborers by the Dyna-

mit-Nobel munitions factory or the Verwertchemie plant during World War II may now apply for special compensation from the successors to those firms.

The Conference of Jewish Material Claims Against Germany has just obtained payment of 5 million Marks from Dynamit-Nobel in West Germany, in fulfillment of an understanding reached 20 years ago. Claims Conference president Israel Miller said applicants for compensation should file their claims with Compensation Treuhander, Grunburgweg 119, 6000 Frankfurt, West Germany. The deadline is December 31, 1986.

The Finance Ministry said applications should contain factual information such as the date, location and circumstances surrounding forced labor for Dynamit-Nobel and Verwertchemie.

LEGAL OFFICIALS QUESTION BARBIE

PARIS, June 4 (JTA) -- Nazi war criminal Klaus Barbie was questioned by two ranking legal officials at his prison cell in Lyon. It was reportedly a final interrogation before the former gestapo chief known as "the butcher of Lyon" is put on trial.

But the trial has been postponed repeatedly since Barbie was apprehended by French authorities after his expulsion from Bolivia in February, 1983 and no date has yet been set.

The interrogation, in the presence of Barbie's lawyer, Jacques Verges, was necessitated by a court ruling last December drawing a distinction between "war crimes" for which there is a 25 year statute of limitations and "crimes against humanity" for which there is no statute of limitations.

Barbie originally was charged with six counts of crimes against humanity. These are expected to be reduced to three when he finally goes to trial, including the deportation in 1944 of Jewish children from a school in Izieu in southeastern France. (By Ron Popeski.)

RABIN: TIES WITH EGYPT MUST BE STRENGTHENED WITHOUT AID OF U.S.

By Hugh Orgel

TEL AVIV, June 4 (JTA) -- Defense Minister Yitzhak Rabin said Tuesday night that "Israel alone, without other partners or the United States as a third party, must fully strive to strengthen its peace with Egypt." He said this would be accomplished sooner or later by "taking small steps." He ruled out "a sudden, out-of-the-blue" concession by Israel, for example, on the Taba border dispute, because it "would not serve the goal of strengthening the peace."

Rabin addressed a symposium at Tel Aviv University in memory of the late Lt. Gen. David Elazar who was Chief of Staff at the time of the Yom Kippur War. He stressed that both Egypt and Israel have an interest in maintaining peace but Israel has to understand that Egypt's top priority is to improve its standing in the Arab world without doing damage to the Camp David accords, Rabin said.

Changes have taken place in Egypt since the Yom Kippur War in 1973 when Egypt had the strongest Arab army in the Middle East, Rabin said. "This is no longer the case. The Egyptians have slowed their military build-up considerably. However, their army is in the process of modernization," he said. According to

Rabin, the \$2.4 billion in foreign aid which Egypt receives annually from the U.S. "encourages Egypt to honor its obligations."

With respect to Israel's eastern neighbor, Rabin said Iran represents a far greater threat to Jordan than it does to Israel. "If I were (King) Hussein I'd be far more concerned about the eastern front than the western front," he said.

Earlier Tuesday, Rabin toured the northern border region on the occasion of the first anniversary of the Israel Defense Force withdrawal from south Lebanon and the establishment of the border security zone there. He said the security zone has proven its value. As a result, the IDF has "significantly reduced -- we have essentially ended -- the massive military involvement in Lebanon" since the security zone was established.

RUDOLF SONNEBORN DEAD AT 87

NEW YORK, June 4 (JTA) -- Funeral services were held here Tuesday at Temple Emanu-El for Rudolf Sonneborn, a long-time leader of the American Zionist movement and a prominent fund raiser for the State of Israel in the 1940's and 1950's. He was 87 years old and lived in Manhattan. He died Sunday at his estate in Connecticut.

Throughout his years as a successful businessman, Sonneborn remained active in Jewish causes until hindered by a stroke in 1959. His influence dates back to 1919, when he became friends with future Israel leaders David Ben Gurion and Dr. Chaim Weizman. Through them, he began aiding Israel and was involved in the famous ship Exodus and other American efforts to send supplies to the Jewish community in Palestine.

Once Israel was established, Sonneborn became a star campaigner at dinners and other events, raising hundreds of millions of dollars for Israel. His fund raising efforts began during World War II to assist Jewish refugees in Europe. It was a catalyst for his association as a leading figure in the United Jewish Appeal and one of its main beneficiaries, the United Palestine Appeal, as well as the Israel Bond Organization and the Zionist Organization of America. He also served as a member of the Board of the Jewish Telegraphic Agency.

Sonneborn, a native of Baltimore, attended Johns Hopkins University until being commissioned into the Naval Air Corps in 1918 to train as an aviator. After the war, which he never entered, Sonneborn was sent by the World Zionist Organization to oversee the Jewish community in Palestine.

Shortly before the end of the British mandate in 1947, Ben Gurion asked Sonneborn and a small number of other prominent American Jews to send supplies to the Jewish community and its military force, the Haganah. The group turned into a secretive, nationwide organization led by Sonneborn called Materials for Israel, also known as the Sonneborn Institute. Sonneborn, who traveled to Israel frequently, fostered American investments in Israel through the American Financial and Development Corporation and Israel Investors.

CUOMO PRAISES RECORD OF AGUDATH ISRAEL

NEW YORK, June 4 (JTA) -- Gov. Mario Cuomo had lavish praise for the record and "philosophy of action" of the Agudath Israel of America

at the Orthodox organization's annual dinner here at the New York Hilton Hotel.

He said its record since World War I, including rescue efforts during the Holocaust and its current work on behalf of oppressed Jews, made the Agudath Israel a model in the quest to build a just and equitable society.

Cuomo, who will seek re-election next November, addressed last Sunday an audience of some 1,500 rabbinic leaders and lay activists representing all trends in Orthodox Jewish life. He was presented with the 1986 Humanitarian Award of the Agudath Israel of America by its president, Rabbi Moshe Sherer.

"While others equivocated, or, worse, looked away, you did all you could ... Yours is an organization that knows when to speak out and when to work quietly to get done what must be done," the New York Governor said.

STRONG HAND URGED IN FIGHT AGAINST INTERNATIONAL TERRORISM By Margie Olster

NEW YORK, June 4 (JTA) -- Terrorism expert Michael Ledeen told the international affairs committee of the Anti-Defamation League of B'nai B'rith Wednesday that the solution to international terrorism is quite simple: kill or be killed.

"In terrorism, either they're going to kill you or you're going to kill them and it's not much more complicated than that," Ledeen said at the opening of ADL's National Commission meeting in New York.

Ledeen, Senior Fellow for International Affairs at the Georgetown Center for Strategic Studies, advocated an official U.S. policy which would single out individual terrorists for assassination to combat terrorism.

His suggestion that the government repeal laws prohibiting officially sanctioned assassinations provoked some ADL members who spoke out strongly against Ledeen's approach.

A More Moral Approach

Ledeen said killing the terrorists before "they kill us," is in his opinion, "a more moral approach than dropping bombs on Tripoli and Benghazi."

A second obstacle to Americans' battle against terrorism is the lack of reliable intelligence on terrorists. Because terrorists are the only people who can give you accurate information on this topic, Ledeen said, the government has two choices: infiltrate terrorist organizations or recruit terrorists already in them.

"Our intelligence on terrorism is not nearly as good as it should be," he said. "We do not have a realistic approach to the problem because of laws (against assassination) and a lack of understanding."

Terrorism also serves the interests of the Soviet Union, a patron of many of the most devastating terrorist groups, although the terrorists' objectives are of little importance to the Soviets, he said.

Neither Syria or Libya, the two heavy hitters of state-sponsored terrorism, want to see the Palestinians establish a homeland according to Ledeen. But nevertheless, they give moral and physical support to Palestinian terrorists.

"They are supporting terrorism for national political reasons" Ledeen said. "Qaddafi believes he is sent by Allah to avenge the Crusades," Ledeen said citing the Libyan leader's manifesto of Islamic terrorism, the green book published in Libya in the 70s.

"The greatest myth of terrorism is that you cannot eliminate terrorism unless you eliminate the root cause," Ledeen said.

The Western world and especially the media too often, he said, give terrorists credit for acting out of ideological motives and portrays them as poor, oppressed, miserable people driven by desperation to make their lives better.

This image is false, he said. He also faulted the Western media for playing into the terrorists' hands, and interfering with official efforts to fight terrorism. The ADL conference continues until June 8 at the Grand Hyatt Hotel in New York.

PROTEST SEEKS TO 'BLOW THE WHISTLE' ON WALDHEIM

By Judith Kohn

WASHINGTON, June 4 (JTA) -- Backed by two members of the House of Representatives, some 40 Jewish students from across the country assembled outside the Justice Department Wednesday to "blow the whistle" on Austrian Presidential candidate Kurt Waldheim.

In a demonstration planned tentatively a month ago by the North American Jewish Students Network, Reps. Stephen Solarz (D. NY) and Charles Schumer (D. NY) joined the protestors in accusing Attorney General Edwin Meese of footdragging in its investigation of Waldheim's war-time activities. The former United Nations Secretary General is regarded as a frontrunner in a run-off election on June 8 for the Austrian presidency.

"The time has come to blow the whistle on Kurt Waldheim," declared Ayall Schanzer, a University of Maryland student and Network's National chairman here. Responding to the cue, the students drew their pocket whistles and shrieked away at the walls of the Justice Department.

Enlarged Photo At Demonstration

Behind them stood an enlarged copy of a recently-discovered 1943 photograph in which Waldheim is shown standing with Nazi officers at an airstrip in Podgorica, Yugoslavia, now known as Titograd.

Waldheim had long maintained that his war-time activities had ended in 1941, after he was wounded on the Eastern Front. Numerous revelations, primarily by the World Jewish Congress, have since been made which suggest he may have had a significant role in the massacres of Yugoslav partisans and possibly in the deportations of Jews from Salonika.

The Justice Department inquiry was undertaken following a recommendation by Neal Sher, head of the Department's Office of Special Investigations, that the former Secretary General be placed on the "watch list" of individuals barred from entering the United States because of his role in the Wehrmacht.

The recommendation followed the discovery that Waldheim had been branded a war criminal by the United Nations War Crimes Commission and was wanted by the Yugoslav government following the war.

No Decision Until After June 8

But the Justice Department has indicated that it probably would not reach a decision on Sher's recommendation until after the Austrian elections. "The argument has been made that if the Attorney General makes a decision in the next few days,

before the Austrian Presidential election, it would be interpreted as an effort on the part of the United States to influence the outcome of that election and would therefore be an interference in the internal affairs of Austria," Solarz observed.

Schumer called the delay in reaching a decision "frightening." Noting that Sher's recommendation was made three weeks ago he lambasted the Justice Department for the "delay, excuse and special treatment" that he maintained has characterized the inquiry on Waldheim.

Solarz also observed that "in the history of the Department of Justice, never before has a recommendation by the Office of Special Investigations . . . not been upheld by the Attorney General, and never before in the history of the Justice Department has it taken so long for the attorney general to make a decision as it has taken Mr. Meese in this case."

"Let me suggest that it would be just as much an interference in the internal affairs of Austria if the Attorney General should postpone making a decision as it would be for him to make it," he declared.

SWEDEN TO ISSUE WALLENBERG STAMP

LONDON, June 4 (JTA) -- A postage stamp with the portrait of Raoul Wallenberg will be issued by Sweden next year as part of a series of stamps honoring Swedish nationals who lost their lives while on international humanitarian missions.

Wallenberg, a diplomat, is credited with saving the lives of 100,000 Hungarian Jews when he headed a special section of the Swedish legation in Budapest during World War II. He was arrested by Soviet authorities when the Red Army entered Budapest in January, 1945 and his fate remains unknown.

Moscow insists he died in prison in 1947 but there have been persistent reports over the years that he was seen alive and may still be living. He would be 72. The Swedish Premier, Ingvar Carlsson, raised the 41-year-old case during his first official visit to Moscow last April. He has not disclosed what he was told there.

The Wallenberg stamp will be the first tribute to the war-time diplomat by his own country. A Wallenberg postage stamp was issued by Israel three years ago and Israel, Canada and the United States have conferred honorary citizenship on him.

The hesitancy of the Swedish authorities to officially honor Wallenberg until now has been attributed to a desire not to offend the Russians or not to appear to take for granted Wallenberg's demise.

The stamp series will also honor Count Folke Bernadotte, a United Nations special representative in the Middle East, assassinated by Jewish terrorists in 1948 and Dag Hammarskjöld, the United Nations Secretary General who was killed in an air crash in 1965 in what was then the Belgian Congo.

BONN (JTA) -- Seven neo-Nazis have been charged in Stuttgart with spreading violence, displaying illegal Nazi symbols, circulating anti-Semitic propaganda and other political offenses. The Stuttgart Prosecution office said Monday that the seventh and last member of the group was arrested a few days ago while entering West Germany. The office statement said the others were arrested previously when they returned to West Germany from various European countries where they had been trying to avoid prosecution. Most of the offenses charged against members of the group were committed last year. The neo-Nazis had started to use SS-like uniforms while celebrating various events connected with alleged Nazi achievements.

**Special To The JTA
LATIN AMERICAN CONCLAVE ASSAILS
TREATMENT OF JEWS IN SOVIET UNION**

By David Harris

(Editor's Note: David Harris is deputy director of the American Jewish Committee's International Relations Department.)

BUENOS AIRES, June 4 (JTA) — Delegates from 11 nations, most of them non-Jews distinguished in the political and intellectual life of their countries, joined in a strong condemnation of the Soviet Union's policies toward its Jewish citizens at the Latin American Conference on Soviet Jewry, which ended a four-day session here last week.

The delegates unanimously approved a final document denouncing the decline of Jewish emigration from the USSR, and the increased repression of Jewish religious and cultural activities, especially the unremitting campaign against Hebrew teachers.

The conference called on democratic member states of the United Nations and signatories of the Helsinki Final Act to raise these issues with Soviet officials at every possible opportunity.

The delegates who attended the conference will submit the document to their respective government leaders with urgent requests to intercede with Soviet authorities on behalf of Soviet Jews.

They represent Argentina, Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Panama, Peru, Uruguay and Venezuela. Among the delegates were three former ministers of education, a former foreign minister, prominent members of parliaments, human rights activists and leaders of Jewish communities in South American and Central American countries.

'Faith And Commitment Required'

The Conference received a message of solidarity from the administration of Argentine President Raoul Alfonsín. A prominent Argentine journalist, Luis Pan, told the gathering, "Maybe the growing democratization sweeping Latin America will prove contagious and even reach the borders of the Soviet Union, permitting those who seek to leave to be accorded this basic international human right." Pan, who is president of the Argentine Committee for Soviet Jewry, added, "We know that miracles do happen, but faith and commitment are required."

Sergio Nudelstejer, secretary general of the Conference and the American Jewish Committee's director for Central America, stressed that "Only with non-Jewish support can the advocacy movement in Latin America, where Jews comprise less than 500,000 of the region's 500 million people, have any real impact."

Speakers at the Conference included Enrique Tarijo, Vice President of Uruguay; Adolfo Perez Esquivel, 1980 Nobel Prize laureate and a human rights activist; Father Benjamin Nunez, founding director of Christian-Jewish Understanding in Costa Rica; and Mark Drashinsky, a former refusenik and Hebrew teacher who has been living in Israel since 1985.

The Conference announced that its next meeting will be held in Brazil in 1988, marking the 25th anniversary of its founding.

**MARTIN STEIN SELECTED AS
NEW UJA NATIONAL CHAIRMAN**

NEW YORK, June 4 (JTA)—Martin Stein of Milwaukee, chairman of the Special Task Force for

Operation Moses, has been named national chairman of the United Jewish Appeal, succeeding Alex Grass.

Robert Loup, chairman of the UJA Board of Trustees, made the announcement at a special dinner marking the close of the 1985-86 UJA/Federation campaign. He reported that UJA raised \$733 million last year in partnership with local Jewish Federation campaigns.

As a UJA national vice chairman and trustee, Stein pioneered and was chairman of the "highly innovative" Community Leadership Consultation Program which brings UJA leaders to local Jewish communities to consult on campaign planning.

A former chairman of the Milwaukee Jewish Federation campaign, he also served as Federation president, as chairman of the Wisconsin Israel Bonds campaign and has been a Board member and Trustee of the American Friends of Hebrew University.

**OSI URGED BY ADL TO INVESTIGATE
ALLEGED ANTI-SEMITIC PROPAGANDIST**

NEW YORK, June 4 (JTA) — The Anti-Defamation League of B'nai B'rith has requested the Justice Department's Office of Special Investigations to initiate an investigation against George Dietz, a virulent anti-Semitic propagandist now living in Reedy, West Virginia. Elliot Welles, director of the ADL's Task Force on Nazi War Criminals, said the request was made in a letter to Neal Sher, OSI director.

The letter, noting that OSI had informed the ADL that membership in Hitler Youth was adequate basis to institute an investigation, pointed out that Dietz was quoted in the December, 1976, issue of White Power as stating that both he and his wife had been members of Hitler Youth.

Deportability depends on whether investigation establishes that Dietz actively took part in Nazi persecutions during World War II. Enclosed with the ADL letter were "relevant materials so that the investigation may be commenced immediately," Welles said.

Welles said Dietz is probably best known today as the prime mover of Liberty Bell Publications, the largest anti-Jewish propaganda mill in the U.S. This hate literature is internationally distributed, including to Germany.

"I and my associates," Dietz has said, "live and breathe National Socialism every waking moment." He has attacked the "criminal gang of Jews" who "are manipulating for the benefit of their own evil ends, everyone's life in almost every country on earth and most assuredly in these so-called FREE United States."

NEW YORK (JTA) — Eighteen-year-old Leningrad refusenik Boris Lifshitz was forcibly inducted into the Soviet army Tuesday although he is suffering from ulcers, the Student Struggle for Soviet Jewry reported here. According to the SSSJ, this was "clearly further retaliation against his father, Dr. Vladimir Lifshitz, who was sentenced recently to three years in the Gulag for 'anti-Soviet slander'."

Meanwhile, the SSSJ also reported that former Prisoner of Conscience Boris Chernobilsky is in the midst of a 15 day sentence, imposed when he, his wife Elena and his family sought exit visas to Israel.

JERUSALEM (JTA) — The Public Council for Soviet Jewry held Tuesday evening a mass rally in Jerusalem's Sultan's Pool to mark the end of a month of solidarity with the plight of Soviet Jewry. The rally was attended by Premier Shimon Peres and Vice Premier