DAILY NEWS BULLETIN

Contents copyright: Republication only by previous arrangement.

PUBLISHED BY JEWISH TELEGRAPHIC AGENCY · 165 WEST 46TH STREET · NEW YORK, NY 10036-2574 · (212) 575-9370

Vol. 64 - 69th Year

Thursday, September 25, 1986

No. 185

FRENCH GOVERNMENT BELIEVED TO BE MOVING TOWARD AN AGREEMENT WITH THE TERRORIST GANG RESPONSIBLE FOR THE RECENT BOMBINGS IN PARIS BY Edwin Eytan

PARIS, Sept. 24 (JTA) -- Msgr. Hillarion Capucci, the former Greek Catholic Bishop of Jerusalem who was sentenced to 12 years' imprisonment in Israel for smuggling arms into the country, has been allowed to meet Georges Ibrahim Abdullah, the terrorist leader suspected of having staged the murder of American military attache Lt. Col. Charles Ray and Israeli diplomat Yaakov Barsimantov in 1982.

It is generally believed that the French authorities allowed the visit to try to stop the recent wave of terrorist attacks which killed nine people and wounded more than 160 this month alone.

Capucci, who was sentenced in 1974, met with Abdullah in Paris' top-security prison La Sante where the terrorist is being held incommunicado. Even his lawyers have not been allowed to see him since his transfer to Paris last weekend.

Cappuci, who lives in Rome and travels with a Vatican diplomatic passport, has played an active role in various secret negotiations and is known for his close personal relations with Syrian President Hafez Assad and Iran's Ayatollah Ruhollah Khomeini.

Invited By The French Authorities

The French radio quoted Arab sources as saying that Capucci came to Paris at the invitation of the French authorities. He also met on several occasions with the Minister for Security and Police Robert Pandraud.

Premier Jacques Chirac has twice pledged that he will "not yield to terrorist blackmail." He also said there will be no negotiations with the terrorists and that "those guilty (of the terrorist attacks) and those who manipulate them will be crushed wherever they may be."

Capucci's meeting with Abdullah is generally seen, however, as an attempt to reach an agreement with the terrorist gang which has killed nine people and wounded more than 160 since September 4, when it launched its latest series of bomb attacks in Paris.

The French press revealed Wednesday that the former Socialist Administration of Premier Laurent Fabius had also tried to strike a deal with the terrorists. The government of Jacques Chirac was prepared, according to these reports, to go ahead with the plans and release Abdullah.

The plan was foiled last July when the U.S. government and the family of Ray became civil plaintiffs in the case, a procedure preventing the dismissal of the case and Abdullah's summary liberation

ISRAEL TO DOWNGRADE TIES WITH AUSTRIA

VIENNA, Sept. 24 (JTA) -- Israel reportedly has decided not to replace its Ambassador in Vienna when the current envoy, Michael Elizur, retires shortly. Instead, it will leave its Embassy in the hands of a Charge d' Affaires, a significant

downgrading of Israeli diplomatic representation in Austria.

Jerusalem's decision is clearly a sign of its deep displeasure over the election of Kurt Waldheim to the Austrian Presidency last July after a bitter campaign during which massive evidence of Waldheim's Nazi past was uncovered. A new Ambassador would have to present his credentials to Waldheim, a diplomatic ceremony unacceptable to Israel under current circumstances.

Neither Waldheim's office nor the Foreign Ministry here has commented on the reported decision in Jerusalem.

WALDHEIM TIED TO NAZI LEAFLETS EXHORTING 'KILL THE JEWS'

NEW YORK, Sept. 24 (JTA) -- Virulently anti-Semitic tirades, culminating in a call to "kill the Jews," appear in a newly-discovered package of Nazi propaganda leaflets, a package initialed by Kurt Waldheim when he served as a senior German intelligence officer during World War II, the World Jewish Congress reported in releasing the leaflets Tuesday.

The leaflets, located by WICongress researchers at the U.S. National Archives, bear such titles as "The Jews Prepared This War" and "Onward to Berlin, "Jews-Shriek:" They have been turned over to the U.S. Justice Department.

Documents show the leaflets were prepared for distribution by a German army propaganda company and sent to Waldheim at the High Command Headquarters of his intelligence section. At headquarters, Waldheim received the leaflets along with a title index and a cover report dated November 28, 1944, both of which he initialed in the "03" box of the stamp of his intelligence section—the "IC/AO."

(Waldheim acknowledged his "03" intelligence status in his memorandum to the United States Justice Department of April 6, 1986. The 03 "was the deputy of the chief intelligence officer responsible for all operational intelligence and the control of the intelligence staff," according to the declassified study, "German Military Intelligence," by the Military Intelligence Division of the U.S. War Department, 1946.

Sixty-five titles were listed on the master index of propaganda leaflets that Waldheim initialed and dated. The cover report which he also initialed states that 80,000 copies of the leaflets had been printed and that "repeat printings are planned."

Examples Of Anti-Semitic Venom

According to the cover report, thousands of copies of the leaflets were to be dropped behind enemy lines to Russian soldiers, in an attempt to get them to defect to the German side. The leaflets include such outpourings of anti-Semitic venom as the following:

"Cursed be the Jews who sit over the necks of our relatives in the rear and suck their blood," Only the German people did right when it freed itself from the accursed Jews", "All of us must seriously consider going over to the German people, to fight with it against Jewish Bolshe-



vism"; and, "The Jews prepared this war. Jews got it onto our backs. Jews do not want it to end."

One of the leaflets concludes: "Who, wherever you move into the Balkans, showed the greatest enthusiasm? The Jews. Enough of the Jewish

war, kill the Jews, come over.'

Another captured Nazi war document -- a secret organizational chart of the German High Command in the Balkans -- shows that "Waldheim's intelligence section ("IC/AO") had major propaganda responsibilities. The document shows that the propaganda company that printed the anti-Semitic leaflets reported directly to the "IC/AO."

That same propaganda company was responsible for publishing a front-page photo of Waldheim with his commanding General, Alexander Loehr, which appeared in the German army newspaper in the Balkans. Loehr was hanged as a war criminal in 1947.

ISRAEL PROPOSES THAT TERRORIST ACTS AGAINST AIRPORTS AND AIRCRAFT BE TREATED AS AN INTERNATIONAL CRIME By Michael Solomon

MONTREAL, Sept. 24 (JTA) -- Israel proposed Tuesday that terrorist acts against airports and aircraft be treated as an international crime and that the perpetrators, wherever they are, be punished according to international law.

The proposal was contained in an eight-page document presented by the Israeli delegation at the opening of the 26th Assembly of the International Civil Aviation Organization (ICAO) here. "The most important precondition for the successful combat against terrorism is the determination of states to fight against terrorism and those who support it," the document said.

It urged cooperation among states in the area of intelligence and the creation of "welltrained anti-terrorist units which should be capable to act whenever and wherever they are needed. The terrorists must never be allowed to feel safe anywhere in the world," the Israeli document said.

Israel appears to have Canada's strong support for measures it proposes. Canadian Minister of Transport John Crosbie said in an address to the ICAO Assembly that "First and foremost, action is needed to close a gap in the existing ICAO legal framework concerning aviation security." He said there is an obligation for every country to prosecute or extradite perpetrators of attacks on airports or hijackers of aircraft.

1,500 AMERICAN JEWS ARE IN ISRAEL ON FIVE UJA MISSIONS By Yitzhak Rabi

JERUSALEM, Sept. 24 (JTA) -- The largest Jewish assembly to be held since the reunification of Jerusalem in 1967 took place here Tuesday at the Hassenfeld Amphitheatre (Sultans Pool), with the participation of thousands of Israelis and 1,500 Americans who are here on five United Jewish Appeal missions.

The three-day celebration will adjourn on Thursday with a mass gathering on Ammunition Hill, followed by a solidarity march through the streets of Jerusalem to the Western Wall. Defense Minister Yitzhak Rabin, who led the Israel Defense Force in the Six-Day War, will give the keynote address at the event.

The largest of the five UJA missions is the President's Mission, with 700 members. Some of them arrived here last week and the rest, who were on a pre-Mission trip in Europe, arrived here Sunday.

Marvin Lender, chairman of the President's Mission, said "Now is the time to come and visit Israel. We are here to demonstrate with our brothers and sisters in the Jewish State."

A similar note was sounded by Martin Stein. national chairman of the UJA. During a dedication ceremony of a new settlement in the Galilee, he called for greater support of Israel by American Jewry. He said American Jews can help resolve Israel's current tourist crisis by visiting Israel in greater numbers.

New Moshav Dedicated In The Galilee

Stein and members of the President's Mission attended the dedication ceremony of Moshav Kahal in the mountains of lower Galilee, on the site overlooking the Sea of Galilee.

"The dedication of Kahal represents the continuation of Jewish life and growth in Israel," Stein said. Noting that he has just returned from a visit to the Soviet Union, he expressed the hope that many new Jewish settlements will be built in the near future by Soviet Jews who will hopefully be allowed to leave the USSR.

Members of the Mission planted hundreds of saplings at the site of the new settlement. Israel Meron, representative of the Kahal settlers, said the new moshav is part of the effort to populate the Galilee with Jews, because Jews in the Galilee, he pointed out, are presently in a minority.

The assembly at the Sultans Pool Tuesday marked the opening of 1987 UJA/Federation Campaign, and, in accordance with the Israeli government's decision, will combine celebrations for the reunification of Jerusalem and the centennial of David Ben Gurion's birth.

ISRAELI DELEGATION IS BOUND FOR CHINA By Hugh Orgel

TEL AVIV, Sept. 24 (JTA) -- An Israeli delegation headed by a senior government official will go to China shortly to sign an agreement for cooperation in agriculture and energy between Israel and the People's Republic of China, Israel Television reported Wednesday.

It would be the first official accord between the two countries, although agreements already exist between Israeli and Chinese companies. Israel Radio reported Tuesday that Avraham Tamir, Director General of the Prime Minister's Office, is presently in Paris for talks with unidentified Chinese officials.

Chinese scholars and scientists are interested in developing technical and scientific cooperation with Israel, according to Prof. Josef Singer, president of the Haifa Technion, who returned from an 11-day visit to China this week at the invitation of the Chinese authorities.

Singer, who is president of the International Council of Aeronautical Science (ICAS), said that Chinese academicians and engineers will attend the next ICAS convention to be held in Israel in August 1988. But according to Singer, while China wants to develop ties with Israel in various technical fields, the Beijing government is not prepared to establish formal diplomatic relations with Israel at this time.

. Beijing is moving cautiously even with respect to non-official contacts. A Chinese dele-



gation scheduled to attend the Agritech-86 agricultural machinery and technology fair in Tel Aviv this week cancelled at the last minute. The fair's organizers were informed that the delegation would not come because of prior publicity given their planned visit in Israel.

U.S. ABSTAINS ON UN SECURITY COUNCIL RESOLUTION CALLING FOR ISRAEL'S WITHDRAWAL FROM LEBANON SECURITY ZONE BY Mareie Olster

UNITED NATIONS, Sept. 24 (JTA) - The U.S. Ambassador to the United Nations, Vernon Walters, said Wednesday that he abstained from voting on a Security Council resolution calling for Israel's withdrawal from the south Lebanon security zone because the resolution made no provisions for security arrangements acceptable to all parties.

The resolution approved Tuesday evening by a 14-0 vote with one (U.S.) abstention, called for "an end in south Lebanon to any military presence not accepted by the Lebanese authorities" and deployment of the United Nations Interim Force in Lebanon (UNIFIL) southward to the Israel-Lebanon border.

It was promptly denounced by Israeli Foreign Minister Yitzhak Shamir as "the height of absurdity" and he made clear that Israel is not about to comply. The vote followed a Security Council debate on the situation in south Lebanon convened last Friday at the request of France.

Walters Explains His Abstention

"Walters," explaining his abstention, said the resolution focussed exclusively on the redeployment of UNIFIL while ignoring the critical factor which was the absence of agreement among the parties concerned on security arrangements that would respect all interests.

He said that measures must be agreed on by the parties concerned, otherwise the level of suspicion and mistrust would be increased.

Walters added that he regretted he could not vote on a resolution raised by an ally as close as France. Observers here, noting that the U.S. in the past has almost invariably voted against-and thereby vetoed - Security Council resolutions unacceptable to Israel, suggested that the American abstention in this instance was a case of not wanting to offend the French.

The resolution gives UN Secretary General Javier Perez de Cuellar 21 days in which to "make the necessary arrangements for a deployment of the (UNIFIL) force to the southern border of Lebanon. It solemnly-cells on-all the parties concerned to cooperate in the achievement of that objective."

Although the two-paragraph resolution did not mention Israel by name, it contained a clear reference to Israel's control of a security zone some six miles deep north of Israel's border with Lebanon. The zone was established by Israel when it withdrew is forces from Lebanon in June 1985.

The resolution was approved after France asked the UN to compel the evacuation of Israel and the Israel-backed South Lebanon Army (SLA) from the zone and allow the deployment of UNIFIL to the international border.

The French contingent of UNIFIL is the largest of the multinational force, consisting of 1,391 troops out of a total of 5,827. It has suffered serious casualties in recent weeks under attack by Shiite Moslem extremists. Walters

remarked in that connection that "One thing is quite clear. It is not Israel that is killing and wounding the soldiers" of UNIFIL.

A report to the Security Council, issued last Friday, held Israel responsible for UNIFIL's vulnerability because it refuses to allow UNIFIL to be deployed along its border with Lebanon.

In the Security Council debate that followed, Israel's Ambassador to the UN, Binyamin Netanyahu, strongly defended the south Lebanon security zone and declared that if it did not exist south Lebanon and northern Israel would again face an intolerable situation. A terrible violence would again be unleashed."

Shamir, who arrived here Tuesday to attend the 41st session of the General Assembly, left no doubt that Israel will not abandon the security zone. He said the Security Council resolution is "the height of absurdity," because Israel and UNIFIL are in effect "on the same side," both fighting extremists in south Lebanon such as the Iran-inspired Hezbullah.

At a briefing for Israeli journalists here Wednesday, Shamir's press spokesman, Avi Pazner, said Shamir made the same point at meetings Wednesday with the Foreign Ministers of Finland and Ireland, two countries that provide troops for UNIFIL Pazner said Shamir told Finnish Foreign Minister Pazov Vayrynen that "We won't pay the price for UNIFIL to stay in Lebanon and we will not allow any redeployment of UNIFIL to the south. We have to protect our security interests, but Israel has an interest in UNIFIL remaining in its present positions."

Shamir also said he was angered by the attacks on UNIFIL. He stressed that Israel had not invited it into Lebanon but would not want to see it leave. Shamir said much the same thing to the Irish Foreign Minister, Peter Barry, Pazner said.

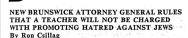
U.S. VIEW ON SOUTH LEBANON SECURITY By David Friedman

WASHINGTON, Sept. 24 (JTA) -- The State Department stressed Wednesday that the problems of security in south Lebanon cannot be solved by extending the authority of the United Nations Interim Force in Lebanon (UNIFIL) to the Israeli border or by "any resolution passed" by the United Nations Security Council.

State Department deputy spokesman Charles Redman made this point in explaining why the United States abstained Tuesday when the Security Council adopted a resolution calling on Israel to withdraw its troops from south Lebanon and allow UNIFIL to move to the border.

"We believe that stability for south Lebanon and security for Israel's northern border can only come through measures agreed on by all the parties to the conflict," Redman said. The call for the immediate deployment of UNIFIL to the border, in the absence of such measures, is not realistic and will solve none of the underlying problems of instability and lack of central authority which plagues south Lebanon."

Redman added that UNIFIL has "the potential to contribute significantly" to the two major goals supported by the U.S. — "the return of the effective authority of the Lebanese government to southern Lebanon and the withdrawal of all foreign forces from Lebanon." But he stressed that these goals cannot be achieved by UNIFIL without an agreement first by the parties involved.



MONCTON, New Brunswick, Sept. 24 (JTA)-Malcolm Ross, a Moncton teacher, will not be charged with promoting hatred against Jews after all, New Brunswick's Attorney-General, David Clark, has ruled.

The ruling virtually repeats what Clark decided last month — that Ross wouldn't be charged under the hate propaganda provisions of the Criminal Code because two of, his books do not fall within the definition of hate literature.

Clark ruled that a third book by Ross, Web of Deceit, probably does constitute hatred against Jews but that the author couldn't be prosecuted over it because it was no longer available to the public, having been out of print for five years.

Following that ruling, several journalists in New Brunswick were able to get copies of Web of Deceit in local libraries and at the University of New Brunswick. Library officials reported the book was en ioving a new popularity

Almost immediately, red-faced justice officials withdrew their decision and announced they would review their ruling on whether to formally charge Ross under section 281.2 (2) of the Criminal Code, the same section under which former teacher James Keesstra was convicted last year.

Rationale For Clark's Ruling

Last week, Clark ruled that the presence of Web of Deceit in municipal libraries is "not relevant" to the case and that its "mere possession is not a criminal offense. The criminal code sections dealing with hate literature focus on the maker of the oral or written statements."

He repeated that the 13-month-long police investigation of Ross, author and distributor of the booklets that say the Holocaust was a hoax and that there is a Jewish conspiracy to take over the world, centered on whether he wilifully promoted hatred of Jews. The investigation concluded that the only text which may fall into that category was out of print and no longer available.

Despite the fact that Web of Deceit is available in several local libraries, Clark said his original ruling not to prosecute "will stand."

In an interview with The Canadian Jewish News, Clark admitted his department "was caught off guard" in originally saying the book wasn't available to the public. "We should have said it wasn't available from the publisher. We were investigating a complaint against loss, not against libraries," Clark said. "Mein Kampf (by Adolph Hitler) is one of the greatest pieces of hate literature ever, but it's in the library."

The complainant in the case, Julius Israeli, an Orthodox Jew living in Newcastle, was tight-lipped when contacted, saying he had no comment other than describing the government of Premier Richard Hartfeld as less than sympathetic to Jews.

Israeli, who filed the original complaint against Ross in July 1985, said he would re-file the charges if an expected election ousts Hatfield and brings in a Liberal government.

U.S. AND ITS WEST EUROPEAN ALLIES TO PRESS SOVIET BLOC ON HUMAN RIGHTS By David Friedman

WASHINGTON, Sept. 24 (JTA) -- The United States and its West European allies will press the

Soviet bloc on human rights in a conference that opened in Vienna Tuesday, the State Department said

The U.S., Canada and 33 European nations will be meeting in Vienna for two weeks to prepare for a follow-up to the 1975 Helsinki Accords in Vienna on November 4. The follow-up and a conference which ended in Stockholm Monday were scheduled at the end of the Helsinki review conference in Madrid in 1983.

"The U.S. and its allies will seek improved compliance by the East with all the principles of Helsinki and Madrid," State Department deputy spokesman Charles Redman said Tuesday, He said at the meeting, the West will seek an agenda for the November 4 meeting that will address the full range of issues covered by the Helsinki Final Act which represents a framework for seeking to resolve the humanitarian, economic and security issues that divide Europe."

Redman said the Stockholm conference was an integral part of the broader process which recognizes the interrelationship between peace and freedom in Europe." At Stockholm an agreement was reached for exchanges of information about military exercises and for inspection of troop movements between NATO and Warsaw Pact countries.

But Redman stressed that during the next two weeks the West' will discuss "promises made and promises kept." He said that "in particular, concrete steps by the East to-resolve problems in the areas of human rights and humanitarian concerns are needed."

The Priority Of Human Rights

President Reagan, in his speech to the United Nations General Assembly Monday, noted that while Soviet leader Mikhail Gorbachev has recently spoken of military, political and economic issues, he has not discussed human rights. Reagan said human rights is "the first obligation of government and the source of its legitimacy" as well as "the foundation stone in any structure of world peace."

"Commitments were made more than 10 years ago in Helsinki concerning these rights and their recognition," Reagan said. "We need only look to the East today to see how sadly unfulfilled those commitments are. The 'persecution of scientists, religious leaders, peace activists, political dissenters and other prisoners of conscience continues unabated behind the Iron Curtain."

While the plight of Soviet Jewry was not specifically mentioned by either Reagan or Redman, it has been brought up by the US. and other Western countries, with specific names mentioned, at the previous follow-up conferences in Belgrade in 1977-78 and Madrid 1980-83.

BONN (JTA) - The plunge in oil prices has resulted, paradoxically, in a drastic reduction in trade between West Germany and the 21 Arab countries of the Middle East, and a sharp toning down of anti-Israel statements emanating from Bonn. German exports to the Arab countries were down by 8.9 billion Marks or 24.9 percent during the first six months of this year and imports from Arab countries declined by 5 billion Marks or 48.9 percent.