

**SHAMIR TO PRESENT HIS UNITY
GOVERNMENT TO THE KNESSET
MONDAY FOR A VOTE OF CONFIDENCE**

By David Landau

JERUSALEM, Oct. 19 (JTA) -- Premier-designate Yitzhak Shamir will present his new unity coalition Cabinet to the Knesset for a vote of confidence Monday. Approval of the new government, which is virtually assured, will complete the Labor-Likud rotation of power process with few changes in the make-up of the Cabinet.

Outgoing Premier Shimon Peres took leave of the Cabinet at its regular weekly meeting Sunday. He expressed his thanks to the Ministers for their cooperation during the two years of his tenure, wished Shamir well in his new office and promised to help him to the best of his ability in the national interest.

Peres becomes Deputy Premier and Foreign Minister in the new government, the offices held by Shamir in the outgoing one. He presided over his last Cabinet session as Premier in what was described as a "business as usual" atmosphere, neither festive nor mournful. It was devoted mainly to security matters.

Rotation Delayed By Disputes

The rotation process, scheduled to have begun October 14, four days after Peres' formal resignation, was delayed for nearly a week by disputes between Labor and Likud over the composition of the new Cabinet and other matters. These were settled Friday when Peres and Shamir signed a 10-point memorandum of understanding.

Immediately afterwards, Shamir called on President Chaim Herzog to inform him that a new government was finally possible and received Herzog's assent to begin the task of forming one. An hour later, Shamir sent Herzog a letter advising him that the government had been formed.

The Peres-Shamir agreement was counter-signed by Justice Minister Moshe Nissim of Likud and Energy Minister Moshe Shahal of Labor, the men who negotiated the original national unity government agreement 25 months ago.

A Compromise Agreement

It is essentially a compromise over the issues that were in dispute between Labor and Likud. The 25-Minister Cabinet to be headed by Shamir, will include Likud-Liberal Yitzhak Modai whose resignation as Finance Minister last July was the outcome of a bitter personal confrontation with Peres.

Labor wanted him out of the new government, Likud insisted he be reinstated to head the Treasury. Under the Peres-Shamir agreement he will be designated a Minister-Without-Portfolio in the new Cabinet.

Peres and Shamir also clashed over the former's nomination of his close associate, Cabinet Secretary Yossi Beilin, to be Israel's next Ambassador to the U.S. Beilin was vigorously opposed by Likud. The agreement stipulates that Peres, as Foreign Minister, will provide a list of candidates from which Shamir will select the next Ambassador. The current envoy, Meir Rosenne, will remain in Washington for the next seven

months. Beilin will receive a senior post in the Foreign Ministry.

The memorandum states that the Premier must consult with the Deputy Premier in order to invest new powers in any minister. The issue addressed was Shamir's intention to assign to Minister-Without-Portfolio Moshe Arens responsibility for matters relating to Soviet Jewry. Labor objected on grounds that such assignment would strip power from the Labor-held Ministry of Absorption.

Possible Affects On Labor and Likud

It was unclear how this compromise will affect internal Herut Party politics. Arens reportedly stormed out of a Likud Ministerial caucus last Thursday night, accusing Shamir of betraying a pledge.

Arens and Shamir had been politically close. Arens stood by Shamir when he was under attack by factions supporting David Levy and Ariel Sharon at the aborted Herut Party convention earlier this year and many observers believed Shamir wanted Arens to succeed him when he leaves office.

Sources close to Shamir contended Friday that the memorandum does not prevent him from giving Arens control over agencies of government dealing with Jews in the Soviet Union, though not Soviet Jews residing in Israel.

The only other shift in the new Cabinet will be the replacement of Laborite Mordechai Gur as Minister of Health by Labor MK Shoshana Arbeli-Almoslino. Gur resigned, refusing to serve in a government headed by Shamir. Arbeli-Almoslino will be the only woman in the Cabinet.

Says 'Last Difficulties' Overcome

Shamir said Friday that the dispute that delayed the rotation process would leave no ill feelings on the part of Likud. He expressed satisfaction that the two coalition partners overcame "the last difficulties of the national unity government in its first chapter" and confidence that the unity government would complete the two years remaining in its term.

But political observers believe the disputes of the past week, albeit settled, harmed Labor's image with the electorate. Peres was seen as lingering on after his formal resignation October 10 to extract concessions from Likud. That, at the least was the way Likud described the situation.

Peres himself played down the delay. He said it was a pity a few days were wasted in dispute "but perhaps it was for the best. We have sorted out our differences."

**ISRAEL HAS NO DEFINITE INFORMATION
THAT A DOWNED AIRMAN IS IN THE
HANDS OF THE SHIITE MOSLEM MILITIA**

By David Landau

JERUSALEM, Oct. 19 (JTA) -- Sources here said Sunday that Israel has no definite information that one of two airmen who bailed out when their Israel Air Force Phantom jet was shot down over south Lebanon Thursday is in the hands of Amal, the Shiite Moslem militia.

Amal claimed Friday to be holding the flyer. They said he sustained a broken arm but was otherwise unharmed. The sources here said Lebanese media reports were studied over the weekend but offered no confirmation of Amal's claim. Amal failed to produce the pilot for foreign reporters.

The pilot was literally scooped off the ground in a daring helicopter rescue Thursday, 90 minutes after he parachuted safely in an area east of the port city of Sidon controlled by terrorist groups. Outgoing Premier Shimon Peres said at Sunday's Cabinet meeting that the rescue was the most brilliant and courageous act possible in the circumstances. He said it proved the resourcefulness of the Israel Defense Force and the Air Force.

The American-built jet fighter was the first Israel Air Force plane shot down over Lebanon since 1983. It was taking part in a bombing raid on an El Fatah base near the Lebanese coast south of Tyre. It is believed to have been hit by a Soviet-made SA-7 rocket.

A Daring Rescue

Details of the pilot rescue were released Friday after nearly 10 hours of official silence. According to the account, the pilot managed for 90 minutes to evade terrorists in the area. He was detected by a radio transmitter device activated when he bailed out of his plane.

A search helicopter braving gunfire at tree-top level, swooped to the ground long enough to allow the pilot to grab the skids and whisked him to safety. The pilot, not immediately identified, was released from Rambam hospital in Haifa Friday after a physical checkup.

The search for the second downed flyer proved fruitless. Although Israel remains skeptical of Amal's claim that he is their captive, the government's coordinator for policy in Lebanon, Uri Lubrani, warned the Shiite militia Sunday that it would be held responsible for the safety and welfare of the missing man.

Amal leader Nabih Berri spoke over the weekend of a possible major prisoner exchange. But observers here doubt that Israel would agree to anything on the scale of the 1985 swap in which 1,150 convicted Lebanese and Palestinian terrorists were released in exchange for three Israeli soldiers held in Lebanon by Ahmed Jibril's Popular Front for the Liberation of Palestine-General Command.

FLEROV FAMILY GIVEN PERMISSION TO LEAVE THE USSR AND GO TO ISRAEL

By Susan Birnbaum

NEW YORK, Oct. 19 (JTA) -- In two surprise moves last week, Soviet authorities allowed a prominent Jewish scientist and his wife and the family of a cancer victim who is now living in Israel to leave the Soviet Union. David Goldfarb and his wife Cecilia were given permission to leave last Wednesday. (See separate story.) Two days later, the entire family of Viktor and Inessa Flerov were notified that they could leave. For the Flerov family, permission to emigrate ended an eight-month ordeal.

Inessa Flerova's brother, Michael Shirman, 31, is a leukemia patient living in Israel whose sole chance of survival rests on a possible bone-marrow transplant from his sister, his only sibling, who lives in Moscow. The information about the Flerov family was confirmed by the U.S. State Department.

Inessa Flerova and her two daughters, Darya, 7, and Mariana, 5, were granted exit visas at the end of August, but Soviet officials would not allow them to leave with Viktor, citing his father's refusal to grant him a waiver of financial obligation.

Shirman had told Flerova not to leave without her husband, thereby separating the family on his account. Viktor Flerov and his father had had little contact, if any, in years. Flerova first applied for a temporary visa last February, and was repeatedly given conflicting advice about emigration visas by Soviet officials. Both Inessa and Viktor went on hunger strikes to protest against the official stonewalling.

Shirman came to the United States last week for two days following a visit to Iceland during the summit meeting between President Reagan and Soviet leader Mikhail Gorbachev, where he pleaded his case with American and Soviet officials. Last Thursday, he told a press conference on Capitol Hill that he has been given about a month to live unless he receives the transplant.

A Dramatic Development

In a dramatic development immediately preceding a press conference in the Lincoln Square Synagogue in New York, Shirman received a phone call from the wife of Dr. Kenneth Prager, a Columbia-Presbyterian Hospital cardiopulmonary physician, who is attending to both Shirman and Goldfarb, telling Shirman that his wife Anka had called from Israel with news that Flerova had called her from Moscow. Shirman immediately called Anka and she said she understood that the entire Flerov family had received permission to emigrate to Israel.

Shirman said his wife was hesitant to confirm the conversation because she doesn't speak Russian and that the language problem may have created a misunderstanding. But after answering a series of questions from the press, Shirman called his sister in Moscow and confirmed the news.

If all goes well, the Flerovs may be airborne some time this week, he said. But some news reports from Moscow noted that it might take up to two weeks for them to leave. Lynn Singer, director of the Long Island Committee for Soviet Jewry and former president of the Union of Councils for Soviet Jews (UCSJ), sponsors of Shirman's trip to the U.S., said Shirman would receive chemotherapy while he is staying in New York for the Succoth holiday and would then be placed aboard the first plane possible for Israel.

The Next Step

Shirman told reporters that if the Flerovs do meet him in Israel, the next step is to "start my own 'normal' problem." He was referring to the bone-marrow transplant, which first must be okayed by testing his sister's blood compatibility. Shirman stressed the seriousness of the operation and the possibility of failure, and the long period of time he would be watched for signs of rejection. Shirman said the operation would take place at Hadassah Hospital in Jerusalem.

Shirman has been able to maintain a level and sometimes cheerful mood during his medical crisis. But he underlined that his leukemia is in the final stage and told reporters that he might have had a better chance of recovery if the Soviets had not procrastinated about allowing the entire Flerov family to leave last February. He is given only a 30 percent chance of survival now even with the bone-marrow transplant. He has

been receiving daily blood tests, and chemotherapy administered by Dr. Prager, during his stay here. Prager has taken a personal interest in this case as well as that of Goldfarb.

Armand Hammer, the American industrialist who played a role in the release of Goldfarb, was asked if he was also involved in the Flerov case. He told the Jewish Telegraphic Agency: "This is part of the same goodwill gesture shown by the Soviets with the Goldfarb release. I brought it to the attention of the Soviets when I heard from Dr. Prager some time ago." Prager wrote to Hammer in August, detailing Shirman's condition and the plight of the Flerov family.

In that letter, Prager asked that Hammer, during his trip to the USSR last month, intervene "as forcefully as possible" and "as soon as possible" to convince the Soviets that allowing the Flerovs to leave would be the "humane thing to do."

UCSJ president Pam Cohen, in a statement, said: "While we are gratified by the decision (to let the Flerov family emigrate), the members and Board of the UCSJ remain profoundly disturbed by the Soviet Union's continued refusal to allow emigration for the estimated 400,000 Soviet Jews who wish to do so. We see no reason why the Soviet government continues to delay in these matters, and we urge Soviet authorities to expedite emigration procedures for all Soviet Jewish citizens who wish to go."

GOLDFARB UNDERGOING TESTS TO EVALUATE HIS HEALTH

By Yitzhak Rabi and Susan Birnbaum

NEW YORK, Oct. 19 (JTA) -- A spokesperson for the Columbia-Presbyterian hospital in Manhattan said that ailing former Soviet refusenik David Goldfarb is in stable condition, and is undergoing tests to evaluate his health.

Goldfarb and his wife Cecilia, who were unexpectedly given permission to leave the USSR last Wednesday, arrived in New York Thursday night with American industrialist Armand Hammer aboard his private jet. He was met at Newark Airport by his son, Alexander Goldfarb, and his friend, journalist Nicholas Daniloff.

The hospital's spokesperson told the Jewish Telegraphic Agency last Friday that Goldfarb is being evaluated for diabetes, cardiac status and peripheral vascular disease. There has been no update on his condition since Friday because the family has requested that no further information be made available, the spokesperson told the JTA Sunday.

The 67-year-old molecular biologist and geneticist has been suffering from severe diabetes, whose complications include a heart ailment, ulcers, some blindness and loss of part of his foot. He lost a leg during World War II, in the battle of Stalingrad.

The fitting of a prosthesis is possible, according to Dr. Kenneth Prager of Bergen County, NJ who is a cardiopulmonary physician at Columbia-Presbyterian Hospital. Prager boarded the plane to check David Goldfarb after the family had been reunited. Prager explained that the elder Goldfarb had never received a prosthesis because the Soviets are not advanced in the field.

Awaiting the arrival of Hammer's plane Thursday evening, Alexander Goldfarb told reporters he was grateful to Hammer.

SHULTZ: VISAS GIVEN TO TWO SOVIET JEWISH FAMILIES DID NOT RESULT FROM ANY 'PRECISE AGREEMENT' DURING THE REAGAN-GORBACHEV SUMMIT MEETING

By David Friedman

WASHINGTON, Oct. 19 (JTA) -- Secretary of State George Shultz said Sunday that the exit visas given two Soviet Jewish families last week did not come about because of any "precise agreement" during the meeting between President Reagan and Soviet leader Mikhail Gorbachev in Reykjavik, Iceland, October 11-12.

"We didn't have any precise agreement, although many names of individuals were talked about," Shultz said on the NBC-TV "Meet the Press" program. He added that Reagan and Gorbachev also discussed the "hundreds of thousands who would love to emigrate. So all of that was discussed, but there was no precise agreement on either of those cases."

The two cases he referred to were those of David Goldfarb, a long-time refusenik, who was flown to the U.S. by Armand Hammer last Thursday with his wife, Cecilia, and Viktor and Inessa Flerov who were told Friday they could leave for Israel. Inessa Flerova has a brother in Israel, Michael Shirman, who suffers from acute leukemia. She will donate bone marrow for a transplant that may save his life.

In an address to the National Press Club Friday, Shultz said there was "sustained discussion" on human rights issues in Iceland. He said the National Conference for Soviet Jewry and other human rights groups "helped us to make a powerful presentation."

Asked on "Meet the Press" about criticism that the U.S. was making concessions to the Soviets in return for the release of individuals, Shultz replied, "trading in human beings is inherently a repulsive matter." He added, however, that the Soviet "system is as it is. When we can get people out we're glad to have them out."

He stressed that it was not only important to gain the emigration of people whose names are well known, but also the "great mass of people" who want to leave. The number of refuseniks in the Soviet Union is estimated at 400,000.

Asked if Gorbachev knows that if he were to come to the U.S. for a summit meeting he would face large demonstrations, Shultz said the Soviet leader has been told "he will be treated with the respect and dignity that he deserves. But there won't be the kind of warmth out there in the American public ... because of the human rights problem."

On other matters, Shultz said the situation along Israel's northern border was "tense" but he did not expect a war to break out. "We certainly don't want that to happen," he said. He added, "We do have a situation where Israel in its northern border is concerned, and understandably so, about attacks that come from southern Lebanon."

Shultz denied an Israeli report that he sent a letter to incoming Premier Yitzhak Shamir not to establish more Jewish settlements in the West Bank. However, he said he was opposed to the expansion of such settlements. Shultz said he had a "long session" with Shamir when he was here as Foreign Minister in September to attend the United Nations General Assembly, and spoke as well with other Israelis.

SPECIAL TO THE JTA HUMAN DIMENSIONS OF PROJECT RENEWAL By Yitzhak Rabi

JERUSALEM, Oct. 19 (JTA) -- In 1977, Israel's Premier Menachem Begin undertook two major historical decisions: to pursue the peace offer made by Egyptian President Anwar Sadat during a dramatic visit to Jerusalem in November of that year, and to launch Project Renewal, the most comprehensive program in Israel's history of neighborhood rehabilitation and social change.

Now, more than eight years after the two decisions were made, it is clear that their importance to Israel's future and well-being is almost unparalleled. Furthermore, in the opinion of many, Begin will be remembered in history not only for the peace with Egypt, but perhaps even more so for his vision of improving Israel's divided society.

More than 45,000 families, or about 300,000 people, live in 82 neighborhoods, which are participating in Project Renewal, a joint program undertaken and implemented by world Jewry and the Israeli government.

The involvement of world Jewry in Project Renewal is not only through fundraising but also through personal contacts between residents of the neighborhoods and members of the Jewish communities around the world.

Involvement Of World Jewry

By now, the ongoing personal linkage between Jews abroad and residents of the deprived neighborhoods of Israel is an inseparable part of Project Renewal and one that gives a unique meaning and a whole new dimension to the involvement of world Jewry with Israel.

Almost every neighborhood in Israel participating in Project Renewal is twinned with a Jewish community abroad. In most community organizations, committees of lay leaders responsible for Project Renewal have been formed. In the United States, the United Jewish Appeal acts as the liaison with Project Renewal neighborhoods in Israel.

The UJA encourages mission groups and individuals to visit the neighborhoods in Israel. At least once a year, the Project Renewal committees of the Jewish communities abroad visit their twinned neighborhoods.

Evidence Of Close, Warm Ties

The close, warm ties between American Jews and residents of Project Renewal neighborhoods were evident during the UJA President's Mission in Israel last month. One of the highlights of the mission came on a terribly hot Wednesday afternoon, when the 700 members of the mission boarded more than 25 buses that took them to various Project Renewal neighborhoods across the country.

This reporter joined the San Diego delegation -- represented by some 45 members -- that went to Kiryat Malachi, 50 kilometers southwest of Jerusalem. The affluent Jewish community of San Diego "adopted" the neighborhood of Kibbutz Galuyot in Kiryat Malachi, which is being renovated under Project Renewal.

Despite the heat wave, a large group of youngsters and adults greeted the San Diego delegation at the neighborhood community center. Although many of the Americans could not speak Hebrew and the local residents could not speak English, there was a sense of family reunion.

Many hugged and kissed. Some only shook hands, but almost everybody was smiling.

Many members of the San Diego delegation have been visiting Kiryat Malachi on a regular basis. They regard some of the residents in the town as personal friends, despite the difficulty in communication and despite the marked differences in culture and background.

Pledges By The San Diego Jewish Community

According to Gerald Kobernick, immediate past president of the San Diego Jewish Federation, the Jewish community of San Diego pledged to raise \$3.2 million for the Kibbutz Galuyot neighborhood in Kiryat Malachi. "So far we have raised \$2.8 million," Kobernick said, adding, "We are working now to complete the balance."

The community center facilities, funded by the San Diego community, include a dental clinic, center for the elderly, youth room and play center. The renovated housing of the neighborhoods are impressive, especially when compared to the buildings that are still awaiting renovation.

At the dinner tables that evening, the mood was festive. The food was authentic Moroccan, cooked especially for the event by the local residents, most of them immigrants from North African countries who came to Israel in the early 1950's.

Howard Brotman, president of the San Diego Federation, pledged in a short speech the continued commitment of his community to the future of the Kibbutz Galuyot of Kiryat Malachi. Yossi Vanuno, Mayor of the town, thanked the American visitors, predicting that one day Kiryat Malachi would be "a major Israeli city."

The next day, back in the luxurious hotels of Jerusalem, many of the delegates said the visit to Project Renewal neighborhoods was the "most rewarding" and "the best" day they had during their visit to Israel.

Blossom Siegel, from Newport Beach, California, said her visit to the Project Renewal neighborhood in Ashdod was a highly emotional experience for her, because it showed her "the other side of Israel."

She said she believes that Project Renewal helped the local residents to develop "self-confidence and pride in themselves," and made American Jews come face to face with Israel's social problems. "This is my first visit to Israel. I can assure you it is not the last," she said.

DEMJanJUK APPEALS TO HIGH COURT

JERUSALEM, Oct. 19 (JTA) -- Nazi war crime suspect John Demjanjuk appealed to the High Court of Justice last Friday against the decision by a lower court to hold him in custody until the end of legal proceedings against him.

The Jerusalem District Court ruled that Demjanjuk would remain in detention, after the state charged him last month with murdering thousands of Jews at the Treblinka death camp in Poland during World War II.

Demjanjuk, 66, was extradited from the U.S. last February. He has continuously argued that he was not the Nazi criminal known as "Ivan the Terrible," and that he had never been to Treblinka. In the petition filed Friday at the High Court, his lawyer, Mark O'Connor, said he could not present the full arguments against his client's continued detention, because he was not presented with all the evidence against Demjanjuk. The appeal will probably be heard this week.