

VOL. 65 - 70th YEAR

THURSDAY, JULY 16, 1987

NO. 133

**DEMJANJUK HAS UNTIL MONDAY TO  
DECIDE ON REPLACING DEFENSE  
COUNSEL; POSTPONEMENT BID REFUSED**  
By David Landau

JERUSALEM, July 15 (JTA) -- The Jerusalem District Court hearing the case of suspected war criminal John Demjanjuk is prepared to allow the defendant to replace his chief defense counsel, American lawyer Mark O'Connor. But the court will deny any motion to postpone the trial, which is scheduled to resume on July 27 after a one month recess.

Judge Dov Levin, who presides over the three-judge panel, made this clear to Demjanjuk at a special recess session Wednesday. It is a vital point because Demjanjuk, who is due to take the stand in his defense, is not certain that the new lawyer he selected, John Broadley of Washington, D.C., will have sufficient time to prepare himself.

He asked for more time to consider his plans, and Levin gave him until next Monday. Demjanjuk signed a letter on June 30 firing O'Connor. O'Connor said he was influenced by his family and Yoram Sheftel, the Israeli lawyer O'Connor hired for the defense team. O'Connor and Sheftel have had serious differences over the conduct of the trial since it began February 16.

Demjanjuk, speaking in his native Ukrainian, told the court Wednesday that O'Connor had "handled this case wrong from the start." O'Connor, who sat with a bowed head and remained silent, had said earlier that Demjanjuk was "crestfallen" and "confused" over the consequences of his letter of dismissal.

Levin noted that according to Israeli law it was up to the court to approve a change of lawyer in mid-trial and up to the Justice Minister to allow a foreign lawyer to plead before an Israeli court. He indicated, however, that if Demjanjuk understands a postponement is out of the question, the court would agree to relieve O'Connor.

He also implied that Broadley would receive a special permit if Demjanjuk hires him.

The defendant told Levin that it would be up to Broadley to decide whether to retain Sheftel and O'Connor's other assistant, John Gill, an American documents expert.

**Mutual Respect Seen**

Observers at the trial say a mutual respect seems to have developed between Levin and O'Connor, although the latter has drawn occasional reprimands from the bench for long-winded, convoluted questions.

In contrast, Levin has had little patience with Sheftel. He has rejected some of the Israeli lawyer's remarks as "chutzpah." Sheftel's motion before the trial recessed that no case had been made against Demjanjuk for the defense to answer was dismissed by the judge as "superficial."

The Ukrainian-born Demjanjuk, 66, a former resident of Cleveland, Ohio, is accused of being the Treblinka death camp guard known as "Ivan the Terrible," who operated the gas chambers. He

has been identified by more than a score of witnesses, including a former SS man, Otto Horn, who gave testimony in West Berlin last month.

The defense contends that Demjanjuk was a German prisoner of war during the time he is alleged to have been at Treblinka. O'Connor has attempted to discredit the witnesses, questioning their memory after more than 40 years. He also charged that key documents identifying Demjanjuk as "Ivan" are Soviet forgeries.

**REAGAN ADMINISTRATION AGAINST MORE  
TRADE RESTRICTIONS ON SOVIET UNION**  
By Judith Colp

WASHINGTON, July 15 (JTA) -- The Reagan Administration said Tuesday that it is opposing Congressional legislation that would put further restrictions on trade with the Soviet Union until it cases its emigration policy.

But Thomas Simons Jr., Deputy Assistant Secretary of State for Europe, told a joint meeting of the House Foreign Affairs subcommittees on International Economic Policy and Trade and Europe and the Middle East that there were no plans to dilute the Jackson-Vanik amendment which links Most-Favored-Nation trade status with the emigration record of Soviet bloc countries.

"It's the law of the land and we implement it," said Simons. He added that the Administration also supports the Stevenson Amendment restricting Soviet access to Western credits and cash.

The subcommittees heard testimony from Administration officials, Soviet experts and Soviet Jewry groups to determine whether the new Soviet policy of glasnost (openness) should result in eased trade restrictions.

"The jury is still out on whether the Soviet bear is more or less dangerous when hungry," said Rep. Tom Lantos (D. Calif.).

**No Evidence, Says Simons**

Simons said there was no evidence to support a Congressional amendment to the Trade Bill which would ban seven categories of goods imported by the Soviet Union because they are made with forced labor.

"Legislating such a ban without adequate evidence on which to make such a finding of fact looks like economic warfare, pure and simple," Simons said.

But Rep. Christopher Smith (R. NJ) said that the CIA had established several years ago that the goods were made with Soviet slave labor and that he was "disappointed" that the Administration had failed to act on a ban.

The Administration is also opposing an amendment sponsored by Sens. Jake Garn (R. Utah) and William Proxmire (D. Wis.) that would restrict the Soviets from receiving untied bank loans from American banks.

"Bank credits to the USSR already face a host of restrictions, and those loans that are extended largely go to support direct U.S. exports," said Simons.

However, Pamela Cohen, president of the Union of Councils for Soviet Jews, said that over the past year the Soviet Union received nearly \$4

billion in loans from Western banks not linked to any trade transaction.

Both Cohen and NCSJ executive director Jerry Goodman testified that the policy of glasnost has not resulted in an easing of restrictions on emigration.

Goodman noted that long-term refuseniks are now being refused permission to leave because they possess state secrets, while others have been told they have "insufficient kinship" ties to claim family reunification with relatives in the West.

"The outline of the Soviet strategy is clear," said Cohen. "As always, Jews are for sale. The equation for them is the least-necessary concession in emigration in exchange for U.S. trade concessions."

# **BILATERAL NEGOTIATIONS STILL KEY TO MIDEAST PEACE, SHULTZ TELLS HADASSAH** By Alan H. Feiler Baltimore Jewish Times

BALTIMORE, July 15 (JTA) Secretary of State George Shultz discussed his "central theme" of foreign policy before the national convention of Hadassah here Monday evening, telling the 2,500 delegates that like their founder, Henrietta Szold, the United States must "remain engaged and involved in global affairs."

Noting at the outset that "discussing engagement to American Jews is preaching to the choir," Shultz said he was disturbed by signs that some Americans are "growing tired" of this commitment.

He offered an overview of why the United States must maintain its role as the active leader of freedom throughout the world, focusing on the Persian Gulf and the Mideast conflict, and offering warm praise for Israel as "our faithful ally and perpetual friend."

The Secretary of State, who later received Hadassah's highest honor, the Henrietta Szold Humanitarian Award, said that it is in America's interests that Iran not dominate the other countries of the Persian Gulf and that the USSR not play an increasing role in the oil-rich region. "We need to stand up diplomatically there, and we are," he said, "and we can't allow ourselves to be pushed out."

He said the U.S. will continue to be engaged in the Mideast peace effort, with the key being direct, bilateral negotiations. "There is considerable work to do," he said, "and it may never come to pass, but we must work on it."

## **'Israel Wants Peace'**

Recalling the euphoria he sensed among Israelis following the late Egyptian President Anwar Sadat's visit to Jerusalem a decade ago, Shultz asserted, "I know in my bones that Israel wants peace." But he also emphasized several times in his 35-minute remarks that Jordan's King Hussein wants peace as well. (Indeed, one veteran State Department official noted that "the most interesting thing about this speech was what he didn't say -- for instance, he never mentioned Syria.")

Shultz said that the Administration agrees with Hussein that there should be Palestinian representation at the peace talks and that the Palestinians should be part of the Jordanian delegation. As for Soviet participation, Shultz said they "deserve a place at the peace table only if they act in a deserving way." He called on Moscow to recognize Israel and enhance its

treatment of Soviet Jews before seeking a role in peace negotiations. That statement was greeted with warm applause by the delegates of the world's largest Zionist organization, who met at the Convention Center for four days this week.

While stressing American efforts to "minimize the risk," Shultz said that "we know that doing nothing does not increase the chance for peace." He said the U.S. is pledged "to harness the desire for peace."

In praising Szold, a native of Baltimore, Shultz noted that she embodied what America believes in. "She understood," he said, "that the world is not always a friendly place. She realized that those who are lucky enough to live in a democratic society can never turn their backs on those less fortunate."

# **MAJORITY OF ISRAELIS POLLED WOULD KEEP TERRITORIES IN PEACE ACCORD**

TEL AVIV, July 15 (JTA) -- An overwhelming majority of Israelis insists that Israel retain the West Bank as part of a future peace settlement, according to a poll conducted by the Mod'in Ezrachi organization, published in Maariv Wednesday. A fifth of the respondents want Israel to annex the territory and transfer the Arab population from it.

The pollsters interviewed 1,205 adults. According to the responses, 68.8 percent favor a peace settlement that would leave the West Bank in Israeli hands, while 31.1 percent were prepared to give up all or part of the territory for peace. Annexation and removal of the Arab population was favored by 20.1 percent.

## **LAVI BACKERS MULL ISSUING SHARES OF STATE-OWNED AIRCRAFT INDUSTRY** By Hugh Orgel

TEL AVIV, July 15 (JTA) -- The State-owned Israel Aircraft Industries (IAI) may go public in order to produce the Lavi fighterplane. This is one of the possibilities under study by Likud ministers who want to keep the project alive without putting additional burdens on the Treasury or the defense budget.

Defense Minister Yitzhak Rabin and Finance Minister Moshe Nissim reportedly have concluded that the defense budget cannot sustain production costs of the Lavi, and no additional funds are available. The design and development costs were borne so far by American military assistance grants.

Now supporters of the project are seeking other sources. They hope the Israeli public and investors abroad would respond favorably if IAI decided to issue shares. Haaretz reported Wednesday that an IAI-Israel Defense Force panel headed by a brigadier general is examining proposals to reduce the Lavi's costs by \$70 million annually.

This would require wage reductions and additional dismissals. The plan could not be carried out without the agreement of the workers' committee representing IAI employees. Haaretz said IAI proposes to invest \$38 million from its own resources, but even if the cost-reduction program were adopted, another \$61 million would be needed this year to continue the Lavi.

Hadashot reported that the IAI management has informed the workers' committee that it cannot pay salary advances to its employees because of the company's financial straits.

# BEHIND THE HEADLINES: NORTH'S TESTIMONY LINKS ISRAEL TO CONTRA FUNDS, BUT NOT COMPLETELY By David Friedman

WASHINGTON, July 15 (JTA) -- For those who had predicted that the Congressional investigation into the Iran-Contra affair would show Israeli complicity in the diversion of funds from the sale of arms to Iran to the Contras, the six days of testimony by Lt. Col. Oliver North must have been a disappointment.

But the former National Security Council aide, who completed his testimony before the select Senate-House Committee Tuesday, did not take Israel completely off the hook as he described two incidents in Israel's involvement in the affair.

The first was that Amiram Nir, the counter-terrorism advisor to the Israeli Premier, proposed to North that profits from the arms sale be used to pay for the United States resupply of Israel with the 503 TOW anti-tank missiles that Israel sold Iran in 1985 and for "supporting other activities."

This occurred at a meeting in Washington in late December 1985 or early January 1986, at which Nir urged continuation of the Iranian initiative, according to North. He said Israel was concerned that the U.S. replenish its TOW stockpile and had believed, apparently mistakenly, that the U.S. would do it free of charge.

## Said Ghorbanifar Suggested Contras

The second incident described by North took place at a meeting in Europe in January 1986, between North, Nir and Manucher Ghorbanifar, the Iranian arms dealer, whom Israel and then the U.S. had used as the middleman for the sale of arms to Iran.

During a meeting, North said Ghorbanifar took him into the bathroom and proposed the diversion of the arms profits for the Contras.

North said the late William Casey, then director of the Central Intelligence Agency, told him that the CIA believed Ghorbanifar was an Israeli intelligence agent. North said he believed at the time that Ghorbanifar made the proposal "with the full knowledge and acquiescence of the Israeli intelligence service, if not the Israeli government."

However, North also testified that as the NSC official responsible for the U.S. efforts against terrorism, he had expressed reluctance at the meeting in Europe to supplying Iran with arms, and Ghorbanifar had pulled him aside to make several suggestions aimed at changing his mind.

When the diversion to the Contras was suggested, for the first time "the whole idea was made more palatable," North testified. "I must confess to you that I thought using the Ayatollah Khomeini's money to support the Nicaraguan resistance was a right idea."

North also noted that Ghorbanifar was well informed and knew of his close involvement with the Contras.

## Consistent Israeli Denials

The Israeli government has consistently denied any connection with the diversion of the arms profits to the Contras. The government has relied for this denial on Nir, who has continued as advisor to Premier Yitzhak Shamir after first being appointed to the post by Foreign Minister

Shimon Peres when he was Premier. After North's July 8 testimony about Nir, there were reports, later denied, that Nir had been removed from responsibilities for counter-terrorism, though not fired. The next day North said if this had happened to Nir, with whom he said he had a "close relationship," then "I sadly regret it. He is a brave man who served his country well, and I believe tried to help us in trying to carry out our policies."

North and earlier witnesses testified that it was Israel that first proposed to the U.S. opening an initiative to Iran. The Israel government has not denied this, but instead has strongly defended the effort to make contacts with the more moderate elements in Iran, as did North in his testimony before the committee.

"I've no regret as an Israeli about it," Defense Minister Yitzhak Rabin said July 1 during a breakfast meeting with reporters, sponsored by the Washington Institute for Near East Policy. He stressed that it was necessary to establish such contacts to pave the way for relations when Khomeini no longer rules Iran.

In his testimony, North also stressed that while Israel and the U.S. may have different reasons for the initiative on Iran, there was a "basic fundamental agreement" about the contacts. "I believe that there was sufficient congruence between Israeli objectives and American objectives that made this project worthwhile," North said.

## JEWISH TEEN FELLOWS VISIT ISRAEL IN HOPE OF FOSTERING JEWISH UNITY By Marlene Goldman

NEW YORK, July 15 (JTA) -- Twenty-five Jewish teenagers from the United States and Canada headed for Israel Sunday courtesy of a fellowship granted by Jewish philanthropist Edgar Bronfman, who hopes to build bridges between Israeli and American Jews and between the different denominations of Judaism.

The Edgar Bronfman Youth Fellowships in Israel, a new program designed to develop Jewish leaders of America and Israel, draws together upcoming high school seniors from a variety of Jewish backgrounds -- Conservative, Orthodox, Reconstructionist, Reform and unaffiliated -- this year from 13 U.S. states and Ontario and Quebec provinces.

"The question that should be asked is not, 'Who is a Jew?' but 'What is a Jew?'" said Bronfman, president of the World Jewish Congress, at a news conference with the 25 fellows here Thursday.

"The key to the survival of Judaism is Jewish pride," Bronfman said. "Sometimes going to Israel inspires them (young Jews) to learn even more."

## Not The Usual Trip

The smattering of the Jewish community's "best and brightest," selected from more than 400 applications, will not experience the usual Israeli youth program that attempts to teach a Jewish identity.

Instead, led by Jewish educators, they will explore the issues of Jewish identity and Jewish community in the context of Israel, according to Rabbi Michael Paley, director of the project and the first rabbi to be chosen as director of the Earl Hall Center for Religious Activities at Columbia University here. "Our hope is to create a cadre of young Jewish leaders -- among them,

perhaps, future figures of prominence in the Jewish community -- who despite their different backgrounds and ideologies will know each other and know how to talk to each other," Paley said.

"It's not a tour," explained Rabbi Avi Weinstein, programming director and the Orthodox chaplain at Harvard University. "A lot of them have been to Israel before. The point is to learn from each other in the homeland of the Jewish people."

Each week of the month-long program, paid for in full by Bronfman's endowment and distributed through a grant to the WJC, addresses a different theme.

The first week's focus will be Israel as a state and its founders. The second week will cover the people of Israel, focusing on different immigrant cultures, and the next week will examine the religions of Israel. The final week will center on issues such as Israel's security, the Arab-Israel conflict and religious tensions in Israel.

The schedule includes seminars with some of Israel's most prominent political and literary figures. In addition, each fellow will make a presentation about a previously unknown topic.

#### Ongoing Contact Sought

In years to come, according to Paley, the fellows will be invited to organized "alumni" activities and possibly participate in a journal.

Much of the learning will take place with each other. For instance, students had begun discussing and arguing issues and views the night before the press conference, but they also sang "Hinei Ma Tov" arm in arm.

"I never had exposure to such different points of view in Judaism," said Sheila Jelen of Chicago. "I've taken for granted how easy my Jewish life has been." She is anxious to study the Judaism outside of her Orthodox background.

Mark Reichman of Roslyn Harbor, NY, is eager to learn from the other fellows. He said his experience with most Jews at home leads him to believe they are not issue-oriented, but rather focussed on materialistic items. After speaking with the others he said he was "humbled by their knowledge."

Some fellows were from a tiny minority in their hometowns. Daniel Jacobson comes from one of the two Orthodox families in Champaign, Ill. "It would have been nice to grow up in an Orthodox neighborhood," he said, but he noted that keeping his tradition strengthened him.

Jeremy Halberstadt of Wilmington, Del., was bar mitzvah as an Orthodox Jew but later became Reform. He said he fears Orthodox domination in the Jewish identity debate in Israel. Since he is considering aliya, although this is his first trip to Israel, "I don't want Israel to say we (Reform) can't go there."

Similarly, other fellows share the concern of a fragmented Judaism in America and Israel. "More than realizing our differences," said Melissa Rubenzik of Phoenix, Jews should realize "how much we're all alike. Jews everywhere need to learn."

#### **PURSUE INTERNATIONAL MIDEAST CONFERENCE, EGYPTIAN ENVOY URGES**

By David Friedman

WASHINGTON, July 15 (JTA) --The Egyptian Ambassador to the United States told a Jewish audience Tuesday that a possibility exists now to

achieve peace in the Middle East through an international conference and it must not be lost.

"All the parties to the conflict, all those who care about the peoples of the Middle East and a stable Middle East, must do their utmost to make sure that this opportunity is not missed or wasted," Ambassador El Sayed Abdel Raouf El Reedy said in a luncheon speech to the Capital Legal Counsel of B'nai B'rith, a newly-formed chapter of lawyers.

He expressed the belief that the conference would be successful since "who would want to share in the major burden of having such a conference fail?"

But El Reedy made clear that peace would require what he said was the United Nations Security Council Resolution 242 formula of "land for peace," specifically Israel's withdrawal from the West Bank and Gaza.

He said the Egyptian-Israeli peace treaty should be the "model" for achieving peace in the Mideast. Noting the meeting last week in Geneva between Egyptian President Hosni Mubarak and Israeli Foreign Minister Shimon Peres, El Reedy said that such meetings were no longer considered a "novelty" but "normal meetings between leaders of two neighboring countries."

The two countries have achieved "peace, mutual respect and a welcome sense of security" and the same situation must be created between Israel and the Palestinians, El Reedy said.

Calling the Palestinian issue the "crux of the problem," he said the "occupation" of the West Bank and Gaza does not provide security for Israel and is harming Israeli society, particularly the young soldiers, who of "necessity" must carry out "harsh" measures. "I feel sorry for those young Israeli soldiers," he said.

While the Ambassador did not mention the Palestine Liberation Organization in his talk, in response to a question he said if the PLO gave up violence it, too, should be included in the peace talks.

#### **ISRAELIS LAUD MOROCCO'S EX-KING AS SON CELEBRATES BIRTHDAY**

By Tamar Levy

GENEVA, July 15 (JTA) -- King Hassan II of Morocco, who celebrated his 58th birthday on July 10, was presented with a scroll signed by 71 prominent Israelis, attesting to the role of his late father, King Muhammed V, in fighting the Nazis during World War II and saving Jewish lives in Europe and Morocco.

The information was reported to the Jewish Telegraphic Agency here by Sam Ben-Shitrit, president of Beyachad, the organization of Israelis of North African origin, in a telephone call from Casablanca.

Ben-Shitrit said this should "once and for all" end the controversy and rumors about the attitude of Muhammed towards Jews.

Ben-Shitrit said Hassan was deeply moved and thanked the signers of the document and the Israelis who presented it to him, Rafi Edri, chairman of the Labor Party's Knesset faction, and Ben-Shitrit, "I would like to bless all Israelis of Moroccan origin," Hassan said, according to Ben-Shitrit.

Ben-Shitrit told the JTA that Muhammed supported Gen. Charles de Gaulle's Free French movement during the Nazi occupation of France and opposed the collaborationist Vichy regime. He was decorated by de Gaulle in 1954.