

**GOVERNMENT UNITY APPEARS TO CRACK
OVER POLICY IN THE TERRITORIES**

By David Landau

JERUSALEM, Jan. 18 (JTA) -- The fundamental political and ideological differences that divide the Labor Party and Likud emerged at Sunday's Cabinet meeting to fracture the appearance of solidarity the two coalition-partners have managed to maintain during five weeks of violent disturbances in the administered territories.

According to leaks to the news media, angry exchanges erupted over the text of a Cabinet communique expressing the government's support for the measures taken by the security forces to enforce law and order in the territories.

Premier Yitzhak Shamir of Likud proposed the standard statement, such as those published in past weeks denoting Cabinet approval of the military's actions. Foreign Minister Shimon Peres of Labor insisted on a reference to the need for a negotiated political solution to the Palestinian problem.

The statement finally read by the Cabinet secretary to the news media asserted, among other things, that the Cabinet "expressed its esteem and support for the actions by the security forces and Israeli police, notwithstanding its internal disputes on topics related to the political process."

According to sources quoted by the news media, Peres told Shamir, "There is a yawning gulf between us. . . You cannot draft Cabinet statements as though the government was your private property. . . What is happening today in the West Bank and Gaza is undermining our international standing."

War Over Words

Peres reportedly infuriated Likud ministers by stating flatly that from now on, he intends to refer publicly to the administered territories as the "West Bank and Gaza Strip," instead of "Judea, Samaria and the Gaza district" which has been the standard form used by Israeli officials at home and abroad.

Judea and Samaria are the biblical names of the southern and northern regions, respectively, of the West Bank. Their usage has strong political and emotional connotations because of the implication that they are an integral part of modern Israel as they were of the ancient Israelite kingdoms. This is the view held by Likud and other right-wing and religious factions.

But foreign governments and the international news media refer to the territory as the West Bank. Peres, in a lecture Sunday night at the Hebrew University's Truman Institute, said hereafter he will conform with that nomenclature. He spoke at a seminar examining the effects of 20 years of Israeli rule over the administered territories.

He stressed to the audience the basic differences between Labor and Likud over a political settlement with the Palestinians.

According to the media reports, Peres was attacked and defended at Sunday's Cabinet meeting over that issue. Labor and Welfare Minister Moshe Katzav of Likud's Herut wing asked Peres,

"Can't you wait eight months?" a reference to the Knesset elections scheduled for next November.

Transport Minister Haim Corfu, also of Herut, asked, "What benefit will accrue from political references?"

Energy Minister Moshe Shahal, a Laborite, stood by the foreign minister. "This government is divided between those who believe that a diplomatic initiative is an existential need for our country and those who believe that the present situation is itself the solution," Shahal declared.

Apart from the verbal fireworks, the Cabinet session was reportedly a bleak debate over the situation in the territories. Ministers on both sides of the political divide were said to be deeply concerned that there is no guarantee the unrest will not erupt again once the curfews are lifted from the refugee camps.

**UNREST APPEARS TO BE WANING
AFTER TEMPLE MOUNT CLASH**

By David Landau

JERUSALEM, Jan. 18 (JTA) -- An Arab commercial strike paralyzed East Jerusalem on Monday. But few incidents of unrest were reported in the administered territories, giving rise to cautious optimism, after a weekend of relative quiet, that the worst of the disturbances may be over.

Curfews were gradually lifted at refugee camps in the West Bank. But they were strictly enforced at most camps in the Gaza Strip which, combined with inclement weather, kept demonstrators off the streets.

Arabs confined to the refugee camps in Gaza were unable to go to their jobs in Israel, leaving farms and factories in the southern region seriously understaffed. Residents of towns not under curfew did show up for work, unhindered by rock-throwing youths who had turned many back in recent days.

But young Palestinian activists were apparently responsible for the total strike in East Jerusalem. Israeli authorities, trying to persuade merchants and shopkeepers to open for business, were confronted by a wall of solidarity and fear.

A well-known money-changer on Saladin Street, East Jerusalem's main thoroughfare, had his shop burned down Sunday night for breaking the strike. The message was clear to others who might have considered business as usual.

Emergency Rules Possible

Authorities are considering issuing emergency regulations against the merchants if they do not open their shops. The Jerusalem police have given them 48 hours to consider the matter, Davar reported Monday.

The strike was a response to the violent confrontation between police and Palestinian demonstrators on the Temple Mount last Friday, the Moslem sabbath.

The police action stirred Arab passions in both Israel and the territories. Leaders of Israel's Arab community planned to gather at Shefaram Monday to protest what they called the "desecration of the Moslem shrines."

They referred to police intervention when a group of youths emerged from the Al Aksa mosque after prayers, shouting religious and nationalist slogans. They burned Israeli and American flags and displayed the Palestinian flag, which is forbidden by Israeli law.

Dragged Into Mosque

The police fired tear gas at the demonstrators. At one point, a border policeman, Ofer Spitzer, was dragged inside the mosque by youths who snatched his weapon and beat him. Police entered the mosque to rescue Spitzer, who was hospitalized for a broken jaw and other injuries.

Several other policemen were hurt in the melee. The demonstrators were said to number about 500.

Between 50 to 70 people were reported treated at hospitals for injuries inflicted by police clubs and tear gas. Two press photographers were beaten by police. Eight demonstrators were arrested.

Police Minister Haim Barlev, who briefed the Cabinet on the incident Sunday, was criticized by some fellow ministers for the alleged failure of police spokespersons to correct news media reports of the clash.

The ministers stressed that while the police were careful not to enter Islamic holy sites, media reports gave the opposite impression.

A Cabinet statement issued late Sunday declared that "the Israel Defense Force and Israel police do not as a rule enter mosques. Such was the case this past Friday, and will be the practice in the future as well. No act was carried out which could be construed as being offensive to the sanctity of the mosques."

Tear Gas Reports 'Unfounded'

The statement called media reports that tear gas was fired into mosques "totally unfounded." According to the Cabinet, tear gas was used against rioters outside the houses of worship.

(A report in Monday editions of The New York Times, however, claimed that "television footage of the clashes clearly shows the police throwing tear gas canisters in the door of the mosque and one being thrown back out.")

The act of dragging a policeman into the mosque "was intolerable behavior, offensive to the very character of the holy places," the Cabinet statement also said.

It added, "The policeman defended himself and saved his life. The persons responsible for this severe offense will be brought to trial."

Premier Yitzhak Shamir visited Spitzer in the hospital Monday and called him "a real hero."

Members of the Peace Now movement demonstrated outside the Prime Minister's Office Sunday. They planned a series of activities this week to protest the situation in the administered territories.

In other incidents over the weekend, stones were thrown Sunday at the car of Police Chief Superintendent Yigal Golan, deputy commander of police in the Gaza Strip. Two of the stone-throwers were arrested. No one was hurt.

At the Jabalya refugee camp in the northern Gaza Strip, meanwhile, Israeli officials found 40 residents of the camp inside a United Nations Relief and Works Agency (UNRWA) truck that had been allowed to distribute food and supplies to the residents during the curfew.

Senior U.N. officials in Israel are investigating.

5,000 ITALIANS DEMONSTRATE ON PALESTINIANS' BEHALF

By Ruth E. Gruber

ROME, Jan. 18 (JTA) -- Some 5,000 people marched through the streets of Rome on Saturday in a demonstration in support of Palestinians in the Gaza Strip and West Bank.

The march was organized by student groups and left-wing political parties. Similar demonstrations were planned in Milan on Monday, in Genoa on Tuesday and within the next few days in such other Italian cities as Venice, Perugia, Bari and Cagliari.

In Rome, the protesters, many of them wearing the Arab kaffiyeh scarf, carried a banner reading, "Is our civilization founded on the massacre and oppression of peoples? Free Palestine."

They chanted slogans accusing the Israeli government of being a "band of assassins" that has engaged in the "slaughter of children." Another said, "Forty years of occupation won't stop the fight for liberation," calling into question not only Israel's administration of the West Bank and Gaza Strip, but also its very right to exist.

There were moments of tension at the end of the march, when about 250 demonstrators broke off from the main group and headed toward Rome's main synagogue, in the Old Ghetto on the banks of the Tiber, still a largely Jewish neighborhood. Security forces blocked off the synagogue, however, aided by dozens of members of the Jewish community who rushed to the scene.

On Sunday, the Vatican newspaper Osservatore Romano condemned what it called the Israeli assaults Friday at the Al Aksa and Al Amari mosques, branding the moves another very serious sign of the deterioration of the situation in East Jerusalem and the territories.

"It is feared, with good reason, that the situation could produce an upsurge of infamy, of barbarism and also anti-Semitism," the Vatican newspaper said, adding, "It is urgent that there prevail a supreme sense of self-control, of moderation, of tolerance."

Indeed, anti-Semitic vandalism has been on the rise here in recent weeks. Graffiti have appeared in Rome, Milan and Bologna with such slogans as "Israelis kill Palestinians -- Jews will pay."

EUROPEAN PARLIAMENT DELAYS VOTE

STRASBOURG, France, Jan. 18 (JTA) -- Israel won a tactical victory on a technicality Monday, when the Parliament of Europe decided to postpone its vote on ratification of a series of new economic and financial agreements Israel signed with the 12-nation European Community.

Israeli diplomats have been lobbying furiously to defer the vote to a more auspicious time. They feared the tough measures taken by Israeli security forces to quell the recent rioting in the West Bank and Gaza Strip would adversely affect the outcome.

But while Israel won a respite on that matter, the Knesset delegation attending the current session of the Parliament was expected to face tough questions Tuesday on Israel's actions in the administered territories.

Several members of the European Parliament said they intend to express strong condemnation of Israel's policies in the territories.

U.S. VETOS SECURITY COUNCIL RESOLUTION ON AIR ATTACKS By Yitzhak Rabi

UNITED NATIONS, Jan. 18 (JTA) -- The United States vetoed a Security Council resolution Monday night deploring Israel for its Jan. 2 air raids on terrorist targets in Lebanon.

The vote in the 15-member council was 13 in favor, with the United States against and Britain abstaining.

In casting the veto, U.S. Ambassador Vernon Walters said that the resolution is unbalanced and does not address the legitimate security concerns of Israel.

The British ambassador, Sir Crispin Tickell, who is also this month's president of the Security Council, said that the resolution is "one-sided" and that therefore his government decided to abstain.

The Arab-sponsored move called on the Security Council to deplore strongly "the repeated Israeli attacks against Lebanese territory and all other measures and practices against the civilian population."

This is the fourth time in a month that the Security Council has met to take action against Israel. The earlier sessions were devoted to complaints against Israeli measures to quell unrest in the West Bank and Gaza Strip.

Benjamin Netanyahu, Israel's ambassador to the United Nations, charged Monday that the Security Council is "being abused" by being repeatedly convened to condemn Israel "to a point of irrelevance." Netanyahu delivered an impassioned defense of Israel's actions against terrorist bases in Lebanon.

The Jan. 2 air raids included strikes on bases of Al Fatah, the terrorist wing of the Palestine Liberation Organization; the Popular Front for the Liberation of Palestine-General Command, headed by Ahmed Jabril; and Hezbollah (Party of God), the pro-Iranian Shiite fundamentalist group.

Reports from Lebanon after the raids put casualties at 32 dead and many more injured.

The Lebanese government lodged a formal complaint with the Security Council on Jan. 7. The United States then sought to persuade Lebanon to withdraw its request for a Security Council meeting in connection with its complaint, but to no avail, according to diplomatic sources here.

Last Thursday, Lebanon rejected a compromise proposal that called for a statement of concern by the president of the Security Council, instead of a formal resolution.

'Acts Of Encroachment'

The resolution would have called on Israel to "cease all acts of encroachment of land, construction of roads and setting up of fences that violate the border, and any attempts to occupy or change the status of Lebanese territory or to impede the return of the effective authority of the government of Lebanon in sovereign Lebanese territory."

Netanyahu, in his speech Monday to the Security Council, reiterated Israel's position that it has no territorial claims whatsoever on Lebanese territory, respects the sovereignty of Lebanon and wants it restored to the Lebanese government.

The Israeli envoy described the Jan. 2 air attacks as part of Israel's "ongoing measures for self-defense."

He claimed that between Sept. 16, 1987 and Jan. 2, 1988, there were 17 armed terrorist attacks on Israeli soil by the PLO, Hezbollah and Syrian-backed terrorist groups.

"They use Lebanon's territory as a base for terrorist attacks against Israel," Netanyahu said, adding that actions against their bases are therefore legitimate self-defense.

Israeli military sources have consistently denied that the Jan. 2 air raids were carried out in retaliation for the Nov. 25 attack on an Israeli military base in upper Galilee.

EX-PRISONER OF ZION IOSIF BEGUN FINALLY LEAVES THE SOVIET UNION By Andrew Silow Carroll

NEW YORK, Jan. 18 (JTA) -- Iosif Begun, a Soviet Jewish activist and Hebrew teacher granted permission to emigrate in September, after 16 years of harassment by Soviet authorities, will arrive in Israel early Tuesday morning, according to Soviet Jewry groups here.

The 55-year-old electrical engineer and former prisoner of Zion left Moscow on Monday with his wife, Inna; son, Boris; Boris' wife, Anya; and their children, the Student Struggle for Soviet Jewry and the Long Island Council on Soviet Jewry reported. Neither group was certain whether Anya's mother was accompanying the family.

Begun was scheduled to arrive in Tel Aviv at 1 a.m., after a stop in Bucharest.

The news from Moscow brings to an end weeks of uncertainty about Begun's intentions. After receiving permission to emigrate, Begun confounded OVIR emigration officials as well as Soviet Jewry activists by not leaving immediately.

Among the reasons for his reluctance were that Anya had not yet received permission, his declaration that the Soviet Jewish community would be without a leader and his intention to pursue a slander suit against a Soviet television commentator who Begun alleges called him an "Israeli spy."

Begun first applied for an exit visa to Israel in April 1971. In the next 16 years, he was arrested and sentenced to exile in Siberia three times for teaching Hebrew and Jewish culture, most recently in 1983. He had served four years of that 12-year sentence when he was released from a labor camp in February of last year.

Following his release, Begun continued to agitate on behalf of Soviet Jews who have not requested permission to emigrate but are dedicated to Jewish life within the Soviet Union.

Soviet Jewish groups welcomed the news of Begun's departure, even as they voiced concern for those still wishing to leave the Soviet Union.

A statement by the SSSJ said that Begun's departure "comes tragically not at a time of loosening restriction on Soviet Jewish emigration, but further tightening of the noose."

The statement referred to a year-old Soviet regulation that allows only those Jews with "first-degree" relatives in Israel to apply for emigration. That regulation, the statement said, "denies emigration applications to 90 percent of Soviet Jews."

The National Conference on Soviet Jewry said in a statement that it was "delighted" at Begun's departure, but called on the Soviets "to allow the tens of thousands of Jews who have indicated a similar desire to exercise their basic human right of freedom of emigration."

**WAR CRIMINAL ANDRIJA ARTUKOVIC
DIES IN YUGOSLAV PRISON HOSPITAL**
By Andrew Silow Carroll

NEW YORK, Jan. 18 (JTA) -- Andrija Artukovic, the former Croatian interior minister convicted of murdering 700,000 Jews, Croats, Serbs and Gypsies during World War II, died Saturday in a prison hospital in Zagreb, Yugoslavia.

Artukovic, 89, was deported there from the United States two years ago, after a 36-year battle with U.S. and Yugoslav authorities.

The Yugoslavian news agency Tanjug said Artukovic died of "an illness," but did not elaborate.

Artukovic was already in frail health in 1986, when U.S. marshalls spirited him from his home in Seal Beach, Calif. to stand trial in Yugoslavia for war crimes that earned him the nicknames "Butcher of the Balkans" and "Himmler of Croatia."

Heinrich Himmler headed Germany's Gestapo and SS extermination units during World War II.

The Yugoslav court sentenced Artukovic to the firing squad, but the sentence had been postponed indefinitely because of his poor health.

Artukovic was the first Nazi war criminal to be extradited from the United States following the establishment of the U.S. Justice Department's Office of Special Investigations in 1979. As a high-ranking official of the fascist Ustashi regime, established as a Nazi puppet state between 1941 to 1945, Artukovic was responsible for the operation of the concentration camps in Croatia.

After the war, Artukovic entered the United States under an assumed name. Yugoslav officials first requested his extradition for trial on 22 counts of murder in 1952, but it was not until 1986 that Artukovic, then an established member of a Croatian community south of Los Angeles, used up the last of his appeals, this time to Supreme Court Justice William Rehnquist.

The Yugoslavian court found the elderly Artukovic guilty of four specific charges, three of which included mass murder.

Artukovic and his wife Ana-Maria raised five children. According to Tanjug, his body is to be cremated and his ashes disposed of secretly.

**CANADIAN GOVERNMENT UNDER FIRE
FOR ADMITTING PALESTINIAN TERRORIST**
By Michael Solomon

MONTREAL, Jan. 18 (JTA) -- The Canadian government faces potentially embarrassing questions in Parliament this week on why a convicted Palestinian terrorist, whose background allegedly was known to the authorities, managed to enter Canada on an immigrant visa a year ago and was given permanent resident status.

According to a report Monday in the Toronto Globe and Mail, Mahmoud Muhammad Issa Muhammad, 46, received the visa from the Canadian Consulate in Madrid in January 1987 and now lives with his wife and three children in Brantford, Ontario.

Issa Muhammad was convicted in Greece for the 1968 bombing of an Israeli airliner at Athens airport, in which one man was killed. In 1970, a Greek court sentenced him to 17 years and five months in prison for manslaughter, arson, illegal possession of firearms and explosives, and obstructing air navigation.

But he was released a year later in a hos-

tage exchange and deported to Lebanon. The Globe and Mail said it has documents which show that the Canadian Security Intelligence Service's screening system failed to identify Issa Muhammad as a member of the terrorist Popular Front for the Liberation of Palestine when he applied for his visa in Madrid.

By the time his identity was confirmed, he was aboard a plane bound for Canada. Although immigration officials in Canada were alerted by the Canadian Embassy in Madrid to intercept him when he landed in Toronto, Issa Muhammad managed to slip through, the Globe and Mail said.

According to the documents the newspaper says it has in its possession, government officials fear that if Issa Muhammad is deported to an "unfriendly country," particularly Israel, "Palestinian terrorists may be tempted to take Canadian hostages abroad."

If he is deported to an Arab country, the Israelis might try to seize or assassinate him, the documents say.

ELIE WIESEL RETURNS TO AUSCHWITZ
By Edwin Eytan

PARIS, Jan. 18 (JTA) -- Elie Wiesel, the Nobel Peace Prize winner and Holocaust chronicler, paid a memorial visit to Auschwitz on Sunday, before returning here Monday to open an international conference of Nobel laureates, who will discuss the future of humanity at the turn of the 21st century.

Before leaving for Poland, Wiesel, himself a former inmate at the Nazi death camp, where his father and most of his family perished, said the visit was necessary "to meditate, to say a silent prayer, to close our eyes and pledge to do better."

Several of the 75 Nobel laureates expected to attend the Paris meeting were scheduled to accompany him on his visit to Poland.

The Paris Nobel conference was convened at Wiesel's initiative by French President Francois Mitterrand to study "The 21st Century: It's Threats and Promises." It will be attended by close to 80 Nobel laureates, including 30 from the United States.

In spite of the heavy Jewish participation in the meeting, amounting to more than half of the participants, it is nonetheless feared that a communique critical to Israel might be issued after the final session on Thursday.

ISRAELI INFLATION HITS RECORD LOW
By Hugh Orgel

TEL AVIV, Jan. 18 (JTA) -- Israel's inflation rate for 1987 was 16.1 percent, the lowest figure in 15 years, the Central Bureau of Statistics reported.

The figures were released after the bureau reported that the cost-of-living index rose 1.3 percent in December.

The comparatively low figure was welcomed by all sectors of the economy -- though Finance Minister Moshe Nissim said he would only be happy when he learned that 1.3 percent was the annual, rather than the monthly, figure.

Beginning this month, the Central Bureau of Statistics will be using a new "representational basket" as the basis of its price comparisons. The new method takes into consideration such items as the purchase of video cassette recorders and the purchase and rental of video cassettes.