

JUSTICE DEPARTMENT ORDERS PLO TO CLOSE U.N. OBSERVER MISSION

By Howard Rosenberg

WASHINGTON, March 13 (JTA) -- Attorney General Edwin Meese III has ordered the Palestine Liberation Organization's observer mission at the United Nations to close by March 21 or the Justice Department will seek a court injunction to force it to do so.

Meese, acting in compliance with legislation adopted by Congress, sent a hand-delivered, written order Friday to Zehdi Terzi, the PLO representative at the United Nations.

The decision was announced late Friday by Charles Cooper, assistant attorney general in the Justice Department's Office of Legal Counsel. U.N. Secretary General Javier Perez de Cuellar was informed of the decision earlier in the day, in a letter from Herbert Okun, acting U.S. permanent representative to the United Nations.

"Congress clearly and unambiguously stated its intent," Cooper said in making the announcement.

The Reagan administration decided to comply with the congressional mandate at a Feb. 26 White House meeting, chaired by President Reagan's national security adviser, Lt. Col. Colin Powell, a well-placed Capitol Hill source told the Jewish Telegraphic Agency.

At that meeting, aides to Secretary of State George Shultz reportedly gained assurances that the announcement would not be made until after Shultz returned from the Middle East, so as not to conflict with his diplomatic mission there.

The announcement comes a week after the U.N. General Assembly voted 143-1 to condemn any closing of the mission as a violation of the 1947 U.N. Headquarters Agreement. The assembly called for international arbitration of the issue by a three-member tribunal.

U.S. Opposes Arbitration

But Cooper stressed Friday that the United States will not agree to international arbitration of the dispute, since "international law has been superseded by the statute" Congress adopted.

He explained that Congress has the power to "abrogate" international law for the benefit of enforcing domestic law.

Okun's letter to secretary general also stressed that "submission of this matter to arbitration would not serve a useful purpose."

The controversy surrounding the PLO mission stems from the State Department's 1988 authorization bill, adopted by Congress and signed by Reagan Dec. 22, which orders the mission closed by March 21.

Last fall, in an attempt to head off congressional moves, the State Department ordered the PLO's Washington information office closed. But it has opposed closing the U.N. mission, because of possible U.S. obligations under the 1947 treaty.

That treaty provides protection for free entry and transit of foreign officials to the United Nations, but the treaty's reservations clause allows the United States to control the flow of "aliens" into this country.

In enforcing the congressional decision, the Justice Department reportedly rejected the view

of the State Department that when Congress approved the measure, it was not aware of any possible violation of the 1947 treaty and that since it was unaware, Congress did not wilfully intend to disregard international obligations.

According to JTA sources, Justice Department representatives retorted that Congress was well aware of the 1947 treaty, since Shultz referred to it in letters to key lawmakers.

In addition, the Justice Department concluded that no part of the agreement required the United States to allow missions for non-member states, and that the 13-year existence of the PLO's U.N. mission was merely a "courtesy" bestowed by the U.S. government.

(United Nations correspondent Yitzhak Rabi contributed to this report.)

SHAMIR TO DEMAND ARAB CONCESSIONS; CABINET DEBATES U.S. PEACE PLAN

By Gil Sedan

JERUSALEM, March 13 (JTA) -- Premier Yitzhak Shamir hinted Sunday that he may present demands for concessions from the Arab states when he is in Washington this week to discuss the American peace plan with Reagan administration officials.

He told Voice of Israel Radio several hours before his midnight departure that he would put forward some ideas for the United States to convey to the Arab states.

He refused to elaborate, but said he failed to understand why concessions are demanded only of Israel, because "there were two sides to the peace process."

Shamir is on record as opposed to the peace package Secretary of State George Shultz submitted to him March 4 while the U.S. official was in Jerusalem.

The plan, outlined in a letter, calls for an accelerated timetable for Arab-Israeli negotiations, to be preceded by an international conference as early as next month. It implies trading territory for peace, a formula rejected by Shamir and his Likud faction, though acceptable in principle to Foreign Minister Shimon Peres and the Labor Party.

Shamir told Voice of Israel Radio that he would convene the Inner Cabinet, the government's top policy-making body, to vote on the American initiative upon his return from the United States, in about 10 days. The Inner Cabinet consists of five Labor and five Likud senior ministers.

No Vote On Shultz Plan

Shamir fended off demands from Labor ministers and at least one Likud minister for a vote on the plan before his departure. Labor is amenable to the Shultz plan. Likud wants it officially rejected.

The debate continued at the weekly session of the full Cabinet Sunday, which lasted late into the afternoon. Each of the ministers asked permission to speak and Shamir heard the full range of views. But they boiled down to the same deadlock that has gripped the government for weeks.

Economic Coordination Minister Gad Yaacobi,

a Laborite, warned that rejection of the American initiative would be a historic failure that could turn Israel into "an undemocratic, immoral, binational and isolated state."

By binational he apparently meant that given present demographic trends, the Arab population would eventually equal or outnumber the Jewish population should Israel insist on retaining the West Bank and Gaza Strip.

Another Laborite, Energy Minister Moshe Shahal, said the stalemate advocated by Shamir and Likud amounts to a "national disaster." He predicted that Likud's position would lead to the eventual establishment of a Palestinian state run by the Palestine Liberation Organization.

According to Shahal, there were many points in Shultz's initiative on which Labor and Likud could agree, such as no return to Israel's pre-1967 borders, the establishment of the Jordan River as the security "border with Israel" and the continuation of a unified Jerusalem under Israeli sovereignty.

Won't Represent Cabinet

"If you leave (for Washington) with no Cabinet decision, you will represent a party and a position which is not accepted by the Cabinet and the majority of the people," Shahal told Shamir.

Likud ministers rallied behind Shamir. Moshe Katzav, the minister of labor and social affairs, said Foreign Minister Peres should have joined the prime minister in rejecting Shultz's request for a "clear response" from Israel to his plan by March 15.

Katzav accused Peres of influencing Shultz to set the deadline, which was not contained in his letter to Shamir.

He also charged that the source of the present trouble was Peres' once secret meeting with King Hussein of Jordan in London last April, at which they agreed in principle to the idea of an international conference as a cover for Israeli-Jordanian negotiations.

Shamir was expected to begin intensive discussions with Shultz in Washington on Monday. He is scheduled to have a long working session with President Reagan at the White House on Wednesday.

His public statements over the weekend indicated Shamir has not softened his objections to the Shultz package. Referring to the secretary of state's March 4 letter, he told Haaretz, "The only thing I agree to in the Shultz plan is the name Shultz."

Plan Violates Camp David

"Peace can be obtained without giving up territory in exchange," the prime minister was quoted as saying. He also charged that the Shultz plan "abrogates the Camp David accords by removing all the components favored by Israel and by maintaining those components favored by the Arabs."

Meanwhile, Labor Party Knesset member Abba Eban was leaving for the United States at about the same time Shamir departs "to demonstrate to American public opinion that Shamir's rejection does not reflect Israel as a whole." Eban, a former foreign minister, is chairman of the Knesset's Foreign Affairs and Defense Committee.

Likud Knesset members are accusing Eban of trying to sabotage Shamir's mission and said it was unstatesmanlike. Shamir said he had no interest whatever in Eban's trip.

THOUSANDS OF ISRAELIS MARCH IN SUPPORT OF U.S. PEACE PLAN By Hugh Orgel

TEL AVIV, March 13 (JTA) -- Tens of thousands of Israelis from all parts of the country packed Malchei Yisrael Square outside City Hall here Saturday night in a mass demonstration of support for the new American peace plan and the principle of trading territory for peace.

The rally, organized by Peace Now, urged Premier Yitzhak Shamir, who was to leave for Washington Sunday night, not to reject the proposals submitted to him by Secretary of State George Shultz.

Estimates of the size of the crowd ranged from 40,000 to 100,000. Most observers accepted the higher figure.

The demonstration was the first of a series of "happenings" organized by Peace Now to be held during Shamir's nine-day stay in the United States. The next event was to be a 90-minute strike by Tel Aviv University faculty and students, scheduled for noon Sunday.

While Peace Now has demonstrated its ability to bring large crowds into the streets for political rallies, it is clear that the movement represents only one segment of an Israeli population that is sharply divided over the peace issue.

Another mass demonstration was to fill the same Tel Aviv square Sunday evening -- this one organized by the Gush Emunin, the movement of militant Jewish settlers in the West Bank, and other nationalist elements.

Their message is one of support for Shamir's rejection of the American plan. Their rallying cry is "say no to Shultz."

The organizers said there would be a march and motorcade to Ben-Gurion Airport for Shamir's departure, scheduled for midnight. But the police announced they would not allow political demonstrations at the airport.

The Likud bloc, which Shamir heads, decided at the last minute to support the Gush Emunin demonstration. The party reportedly was sending many of its leaders to address it.

The Peace Now rally sought to show that even victims of terrorist attacks support their pursuit of peace. Israeli actress Gila Almagor read a letter from a woman who was one of the 10 wounded in the March 7 terrorist attack on a bus in the Negev in which three Israelis were killed.

She wrote that during the ordeal, convinced she would not emerge alive, she scribbled a note to her daughter saying that if she did not return, her family should continue its own quest for peace.

TOURISM NOT HURT BY PALESTINIAN RIOTS By Hugh Orgel

TEL AVIV, March 13 (JTA) -- Unrest in the West Bank and Gaza Strip appears to have had no negative effect on tourism to Israel so far this year.

Tourist arrivals during the first two months of 1988 numbered 193,800, compared to 164,500 in the same period of 1987, an 18 percent increase. The figures, released Sunday by the Central Bureau of Statistics and the Ministry of Tourism, are based on police data at airports, ports of entry and border crossings.

In February, 105,500 tourists arrived in the country, 88,400 by air, 16,300 overland and 800 by sea.

**PLO LEADERS SAY THEY ARE OPPOSED
TO AMERICAN PEACE INITIATIVE**

By Tamar Levy

GENEVA, March 13 (JTA) -- The Palestine Liberation Organization is spreading the word that it will have nothing to do with the American peace initiative in the Middle East initiated by Secretary of State George Shultz.

The PLO's foreign policy spokesman, Farouk Kaddoumi, conveyed that message to Swiss Secretary of State Edouard Brunner at a meeting here last week. Later Kaddoumi told a radio reporter he found Brunner very sympathetic.

Kaddoumi has visited Austria, France, Britain and West Germany to outline the PLO's position and exchange views. Foreign Office spokesman Michel Pache said the PLO had requested the meeting with Brunner, which the Swiss apparently had hoped would not become public knowledge.

PLO chief Yasir Arafat, in an interview published Saturday in The New York Times, said he rejected the Shultz plan, because it rules out PLO participation in peace negotiations. He said he no longer agrees to the idea of having the Palestinians included in a Jordanian delegation for talks with Israel.

"Mr. Shultz said he is coming to solve the Palestinian problem, the whole issue between the Palestinians and the Israelis. He contacted everybody except the Palestinians," Arafat was quoted as telling Times columnist Anthony Lewis and correspondent Youssef Ibrahim at the interview in Tunis.

He admitted he had instructed Palestinian leaders not to meet Shultz, because he objected to what he said were American attempts to select Palestinians for a dialogue. U.S. policy is not to recognize or negotiate with the PLO.

**CANADIAN POLITICIAN ANGERS JEWS
WITH HIS CONDEMNATION OF ISRAEL**

By Michael Solomon

OTTAWA, March 13 (JTA) -- Canadian Jews are reacting with shock and anger to a speech by External Affairs Minister Joe Clark in which he said Canada condemned Israel for human rights violations in the administered territories.

Clark, whose full title is minister of state for external affairs, spoke here Thursday night at the closing session of the ninth annual Parliamentary Conference of the Canada-Israel Committee, a pro-Israel lobbying organization. He accused Israel of violating the Geneva Convention with regard to the treatment of Palestinian civilians.

The Canadian Jewish Congress released a statement Sunday in the name of its president, Dorothy Reitman, demanding that Prime Minister Brian Mulroney "immediately repudiate Mr. Clark's intemperate and unhelpful statement, which has caused shock and indignation in the Jewish community."

The CJC, along with B'nai B'rith Canada and the Canadian Zionist Federation, comprise the Canada-Israel Committee.

Alan Rose, CJC executive vice president, said in a radio interview Friday morning that his organization asked for a meeting with Mulroney to find out "if Canada's policy has switched from a balanced one to a pro-Palestinian one." If it has, "Canadians of the Jewish faith will organize meetings of protest," he said.

In his speech, twice interrupted by jeers from the audience and a walkout by about 100 of

them, Clark said, "We condemn violence committed by either side in the West Bank and Gaza Strip, but the human rights violations perpetrated by Israel are unacceptable."

Boos And Catcalls

"The withholding of food supplies to Gaza and the refugee camps, the using of tear gas against the population, the beatings, the arrests are contrary to international law. The use of beatings. . . (has) created great dissatisfaction among Canadians," he continued, provoking a two-minute round of boos and catcalls from most of the 800 people in the audience.

Reading from his prepared statement, Clark said that Egyptian President Hosni Mubarak and King Hussein of Jordan told him they "sincerely wish to see peace in the Middle East and make peace with Israel, but that they cannot intervene in the present disturbances."

The audience again interrupted him with several minutes of boos.

He said Canada is "committed to support Israel's right to exist within secure and recognized borders while we share the profound desire of Canadians that the legitimate rights of the Palestinians be respected. It is time to arrive at a compromise: territory for peace."

According to local newspapers, Clark's remarks drew an overwhelmingly favorable response from the Canadian public. The Foreign Office reportedly received 493 telephone calls after Clark spoke supporting his position and 27 calls opposed.

**ISRAELI AIR FORCE STRIKES
TERRORIST TARGETS IN LEBANON**
By Hugh Orgel

TEL AVIV, March 13 (JTA) -- Israeli air force jets raided terrorist bases in the Mich Mich and Ein Hilweh refugee camps east of Sidon in southern Lebanon Saturday morning, a military spokesman announced.

All aircraft returned safely to their bases despite encountering anti-aircraft fire.

A police spokesman in Sidon said the targets were bases used by Al Fatah, the mainstream terrorist group of the Palestine Liberation Organization. Reports from Sidon said two members of the group died in the air strike.

Al Fatah claimed responsibility for commandeering a bus in the Negev on March 7 in which three Israeli civilians were killed and 10 wounded. The three terrorists who carried out the attack were killed by Israeli border police.

Sources in Lebanon said the terrorists had been expecting some sort of retaliation by Israel and were on full alert.

The air strike came a day after the United Nations Human Rights Commission, meeting in Geneva, condemned Israel for what it said were human rights violations in southern Lebanon. It specifically criticized Israel for bombings and arrests of civilians.

The resolution calls on Israel to withdraw immediately and unconditionally from southern Lebanon, where Israel has established a security zone along the border.

Twenty-six nations sitting on the commission voted for the resolution and 15 abstained. Only the United States voted against it. Israel is not a member of the commission.

(Geneva correspondent Tamar Levy contributed to this report.)

WALDHEIM APOLOGIZES FOR AUSTRIANS' WAR CRIMES, URGES RECONCILIATION

By Marta Halpert

VIENNA, March 13 (JTA) -- President Kurt Waldheim apologized Thursday night for Austrians' Holocaust crimes and called for reconciliation, but insisted that Austria was the first victim of the Third Reich.

Waldheim, whose controversial history led to his prohibition against speaking at any official event commemorating the 50th anniversary of Austria's annexation by the Third Reich, made his apology during a five-minute television address.

"An avalanche of suffering went down on this country, which was the first victim of Hitler's aggression, but the worst ever happened to our Jewish compatriots," Waldheim declared.

He said the victims of the Holocaust "have to be a steady warning for the future. Although we do not accept the idea that there is a collective guilt, I do want to apologize as head of state for the crimes committed by Austrians."

"Austria has also proven in the past 40 years that it is guarding and respecting the values of freedom, human rights and tolerance," he continued. "We are also open vis-a-vis criticism, but as head of state I also ask the critics for fairness and objectivity and to refrain from collective condemnation and generalization."

Waldheim began his speech with a personal reminiscence of the Anschluss. "On this very sad and traumatic day for Austria, we were all sitting at home listening the radio," he recalled.

"When Chancellor Dr. Kurt Schuschnigg said those historic words, 'We give way to violence, God save Austria,' we all knew that a tragedy was happening to our dear fatherland. I was 19 years old then. After listening to the radio, my mother cried and tears were running down her cheeks."

The president said his family's experience "was not the exception. There were hundreds of thousands who felt like that. But let us not deny the fact that also hundreds of thousands welcomed the annexation of Austria to the German Reich. Austrians were not only victims, they were also involved in terrible crimes and atrocities."

Waldheim, who has admitted trying to conceal three years of service in the German army, said: "The days of commemoration must also be days of thinking and evaluating the things which happened. There is only one lesson to be learned from the past, and that is to bridge the differences and restrain from any feeling of hate."

70 KNESSET MEMBERS URGE REAGAN TO PARDON THE POLLARD COUPLE

By Hugh Orgel

TEL AVIV, March 13 (JTA) -- More than half of the Knesset has asked President Reagan to pardon Jonathan Jay Pollard and his wife, Anne Henderson Pollard, now serving prison terms for spying in the United States on behalf of Israel.

A petition urging a presidential pardon was signed by 70 Knesset members representing 10 parliamentary factions of all political complexions. It was presented Friday to U.S. Ambassador Thomas Pickering for transmission to the president.

Jonathan Pollard is serving a life sentence and his wife is serving two concurrent five-year sentences as an accessory to the espionage activities. She reportedly is seriously ill.

WITNESSES AT ZUNDEL TRIAL DENY NAZI HOLOCAUST ATROCITIES

By Ben Kayfetz

TORONTO, March 13 (JTA) -- An American who denies the Holocaust occurred and a 72-year-old German whose "high point" in life was a personal meeting with Adolf Hitler were among four witnesses who testified for the defense in the retrial of neo-Nazi propagandist Ernst Zundel in federal court here last week.

Zundel has been charged with "spreading false news," a violation of Section 177 of the Canadian Criminal Code. Specifically, he edited, republished and distributed in Canada a booklet titled "Did Six Million Really Die?" -- a denial of the Holocaust to which he wrote an introduction and appended a summation.

Two other "expert" witnesses called by the defense gave equivocal or incomplete testimony that, in one case, greatly annoyed the presiding judge, Ron Thomas.

One of them, Russel Barton, a British psychiatrist, who as a young medical student was present at the liberation of the Bergen-Belsen concentration camp in 1945, said that while it was a "horror spot" with piles of corpses and dying people, he saw no evidence the Germans deliberately starved the inmates.

He attributed the mass deaths to breakdowns of transportation, communications and government in Germany in the final weeks of the war and to a typhus epidemic. He said he believed six million Jews died, but was not sure it was Nazi policy.

Another expert witness, Kuang Fann, 51, a Taiwanese-born professor of linguistics and philosophy of language at York University, in Toronto, drew a distinction between fact and opinion in Zundel's booklet.

He noted that while fact is subject to the "spreading false news" section of the Criminal Code, opinion is protected by the Canadian Charter of Rights.

Fann aroused the ire of Judge Thomas when he was unable to provide explicit examples of fact and opinion in the Zundel booklet. Thomas, after excusing the jury, lectured the professor, telling him he had expected analysis and precise information from an expert.

The two other witnesses were of Zundel's ilk. Bradley Smith, 58, is media project officer of the Institute of Historical Review in Torrance, Calif., which has long been disseminating material alleging the Holocaust was a hoax.

He conceded in court that mainstream historians do not question the authenticity of the Holocaust, but claimed it was because they were failing in their responsibility.

Thiess Christoferson, a German living in Denmark, ran an experimental farm for the Nazis near the Auschwitz death camp during World War II. He told the court, through an interpreter, that he had visited Auschwitz many times and saw no evidence of gas chambers or mass murders.

Under cross-examination, Christoferson admitted that the high point of his life was a chance encounter with Hitler while on a hike in 1937. He said they chatted and later he was invited to the fuhrer's birthday party.

Zundel was convicted in 1985 and sentenced to 18 months in prison. But the conviction was overturned on a technicality by the Canadian Supreme Court which ordered a retrial.

The second trial began here Jan. 18. It is recessing for a week and will resume March 22.