

IDF CONDUCTING ANTI-TERROR SWEEP IN SOUTHERN LEBANON

JERUSALEM, May 2 (JTA) -- The Israel Defense Force announced Monday that it is conducting a search operation in southern Lebanon.

A military spokesman made the announcement after NBC News reported that about 2,000 Israeli troops had crossed into Lebanon, in search of Palestine Liberation Organization and other terrorist strongholds.

Late, unconfirmed reports also indicated that Israeli troops opened artillery fire on a number of southern Lebanese villages.

The official announcement, which was reiterated by the Israel Embassy in Washington, cited the recent increase in attempts to infiltrate Israel from southern Lebanon.

It said: "In the framework of ongoing security measures, the Israel Defense Force is presently searching the security zone in south Lebanon due to the growing number of terrorist attempts to infiltrate into Israel for the purpose of committing murder and terrorist attacks for bargaining purposes.

"IDF operations will end with the conclusion of the search," the spokesman said.

According to Israeli authorities, there have been eight infiltration attempts in the first four months of this year, compared to 10 in all of 1987. Two Israeli soldiers and five terrorists were killed in border clashes last week.

ISRAEL TO PURCHASE \$3.6 BILLION IN FOREIGN ARMS SALE FROM U.S.

By Howard Rosenberg

WASHINGTON, May 2 (JTA) -- Israel will again this year be the major recipient of U.S. arms sales abroad, according to a confidential State Department report.

The New York Times on Monday disclosed the administration's proposed arms sales for 1988, after it received a copy of the so-called Javits Report, which the administration is required to send Congress annually.

This year's report, submitted in late February, contains \$15 billion in proposed sales, \$3.6 billion of which are expected to be offered to Israel.

Israel is targeted to purchase more U.S. weapons than any other country in 1988. The Times reported that the next two largest purchasers could be South Korea, at \$3.3 billion, and Egypt, at \$2.7 billion. Egypt is to purchase about \$2 billion of M-1A1 tanks, which accounts for the jump in sales to Egypt from \$378 million in 1987.

The report also contains proposed sales of various weaponry to Kuwait, Bahrain and the United Arab Emirates. They are targeted to buy upgrades for Hawk anti-aircraft missiles. A Capitol Hill source told the Jewish Telegraphic Agency that none of those weapons poses a threat to Israel; they are designed to protect freedom of navigation in the Persian Gulf.

The administration formally notified Congress on April 27 of plans to sell Saudi Arabia \$825 million of AWACS support equipment, Bradley fighting vehicles and TOW II anti-tank missiles.

Congress has until May 27 to block that sale; otherwise, it will automatically go through.

Capitol Hill sources said the Saudi sale poses no military threat to Israel, and that the motive of more than 240 members of Congress in protesting the sale was to criticize the kingdom's initial concealment of its recent acquisition of medium-range missiles from China.

Noticeably absent from the report are any proposed arms sales to Jordan. The Reagan administration had considered a possible \$14 million sale of Sidewinder missiles to Jordan in early February. That proposal predated the release of the Javits Report, however.

In the past, Congress has blocked arms sales to Jordan so long as it refuses to negotiate directly with Israel.

75 F-16 Planes For Israel

Israel, under the Javits Report, is being allowed to purchase \$2 billion of F-16 fighter planes. The 75 planes, which would be ready for delivery starting in 1990, are designed to partially offset Israel's 1987 cancellation of the Lavi fighter project.

The administration formally notified Congress of that sale April 4, and it will become official Wednesday, unless there is an 11th-hour vote to block it.

The United States also could sell Israel \$150 million of new equipment to upgrade its F-15 fighter planes; AN/TPQ-37 radars; and upgrades for M-109 howitzers, the Times quoted the report as saying.

The report allows for sales of more than \$1 billion of attack helicopters, UH-60 transport helicopters, reconnaissance helicopters and upgrades for CH-53 cargo helicopters.

Israel could also receive U.S. components to use in its new Dolphin submarines and Saar patrol boats. In addition, it could buy night vision equipment as well as the "Global Positioning System, which picks up signals from earth-orbiting satellites," the Times reported.

WEST BANK UNDERGROUND SEEN GROWING DESPERATE
By Gil Sedan

JERUSALEM, May 2 (JTA) -- A new series of instruction leaflets circulated in the West Bank and Gaza Strip Friday by the clandestine Palestinian underground were seen by Israeli observers as a desperate effort to retain the momentum of the uprising.

According to the Israelis, the Arab population in the territories is weary and in financial distress. Increasing numbers of Arab day laborers are reporting for work in Israel proper each day despite threats and exhortations by the underground leadership.

Meanwhile, a tense quiet prevailed in the territories Monday after a weekend of violent disturbances in several areas. East Jerusalem merchants continued to circumvent police orders to maintain regular business hours or shut down altogether.

Six Palestinians have been placed under administrative detention. One of them is Dr. Zakaria al-Agha, 45, president of the Gaza Medi-

cal Association, who was arrested over the weekend. The other five are residents of the Nuseirat refugee camp in the Gaza Strip. All may be held in custody for six months without trial or formal charges.

The latest instructions to the West Bank and Gaza Strip Arabs contained in Leaflet No. 15 issued Friday demands the immediate resignations of the mayors of Hebron, Ramallah, El-Birch and Jericho, all of them appointed by the Israeli authorities.

It also repeats calls for Arab policemen to leave their jobs and warns those who have done so, not to return.

The leaflet ordered students at the Arab colleges and schools to return to classes on May 5 in defiance of military closure orders. It also called for a general strike on May 9 and 10, to mark the start of the sixth month of the uprising and to commemorate Palestinians killed in the unrest.

The East Jerusalem merchants, whose strike has become a test of wills between the Israeli authorities and the Palestinian underground, opened their shops in the morning hours Monday as ordered by police. But they shut down two hours before the official closure time.

They were thus obeying both the police and the underground. They explained the morning hours as an accommodation for the month-long observance of Ramadan, the Islamic holiday.

ISRAELI HOTELS FACING A CRISIS AS JEWISH TOURISM DROPS SHARPLY

By David Landau

JERUSALEM, May 2 (JTA) -- Israel's hotel industry is facing a crisis. Tourism, particularly Jewish tourism, has declined sharply in recent months, since the Palestinian uprising in the administered territories began and became a staple of nightly television all over the world.

Representatives of the Hotel Owners Association met here Sunday with Tourism Minister Avraham Sharir to discuss the situation.

The association's chairman, Eli Paposhado, said figures showed that some non-Jewish tour groups and individuals, especially those from West Germany, have been loath to cancel their bookings. But Jews from the diaspora are canceling in droves, he said.

Paposhado and his colleagues asked the government and the World Zionist Organization to launch a worldwide campaign immediately among Jews, urging them to visit Israel "davka (especially) at this time of difficulties for us" in Paposhado's words.

He and other tourism officials stressed that holidays in Israel could be enjoyed without any fear of discomfort or danger.

But that assurance has yet to reach the tourist market overseas, especially Jews who normally account for 70 to 80 percent of visitors to Israel each year.

The situation is such that Jerusalem's newest, largest and most modern hotel, the Hyatt, was forced Monday to issue a denial of rumors that it was contemplating closure for lack of bookings.

The management insisted the rumors were unfounded and spoke of plans to add a million-dollar health spa to the hotel. It hopes to weather the present lull in overseas bookings by attracting Israeli guests.

But the Hyatt's occupancy rate is down to

40 percent, considered unsatisfactory. The management hinted that this situation could not continue indefinitely.

Summer Promises Disappointments

The hotel industry as a whole is in the same perilous state. The Passover-Easter season that recently ended was weak, and the summer high season promises further disappointments. Cancellations exceed new bookings.

The Hyatt may be particularly vulnerable because it is located in East Jerusalem, at the foot of Mount Scopus, and because it opened only last year. But other hotels are feeling the pinch too.

Many of the smaller ones have closed for lack of business. Luxury five-star establishments in West Jerusalem report occupancy rates below their break-even points. The Jerusalem Hilton said Sunday that its present rate is 30 percent against a break-even rate of 50 percent occupancy.

Hotel industry sources say the Tourism Ministry has been trying to "dress up" the statistics by comparing March 1988 tourism with March 1987, showing a slight rise. The sources point out that Passover occurred late in April in 1987, whereas this year it began April 1, which accounted for increased tourism in March. Moreover, this year Passover and Easter coincided in the same week.

But the hotel industry as a whole has a good deal of resilience. It had an exceptionally good year in 1987 and could have another good year if the disturbances in the territories end.

DEMOCRATS ADOPT MIDEAST RESOLUTION

By Andrew Silow Carroll

NEW YORK, May 2 (JTA) -- The California Democratic Party's executive board passed a resolution Saturday night that, while supporting the "aspirations of the Palestinian Arabs to control their own fate," also calls for direct negotiations among the "parties concerned" and affirms the need for a secure State of Israel.

The resolution was an alternative to a proposed platform amendment calling on the United States to support Palestinian statehood and an international peace conference. The board defeated that proposal by a 4-1 margin.

Still, both pro-Israel and pro-Arab groups agree that the serious consideration given the original proposal represents a significant display of pro-Palestinian sentiment among the state's Democrats.

SAUDI BUSINESSMAN APPLIES FOR ALIYAH

By Hugh Orgel

TEL AVIV, May 2 (JTA) -- A Saudi businessman, together with his wife and their 10 children, has approached the Jewish Agency in London with a request to immigrate to Israel, according to published reports here.

The man said that his family is descended from Saudi Jews, and that they were forced to convert to Islam during the days of Mohammed, but they secretly preserved their loyalty to their Jewish origins.

His family has lived in isolation, he said, because their skin color is lighter than that of other Saudis. He decided to leave Saudi Arabia following a dispute with the Saudi prince.

The agency official said he would have to wait for instructions from Jerusalem.

PRE-SUMMIT HUMAN RIGHTS VIGIL TO TAKE PLACE IN HELSINKI

By David Friedman

WASHINGTON, May 2 (JTA) - Fifty American Jewish leaders will attempt to focus world attention on the plight of Soviet Jewry by greeting President Reagan in Helsinki when he stops off en route to his summit meeting in Moscow with Soviet leader Mikhail Gorbachev.

The Jewish leaders, who will be in the Finnish capital May 25 to May 29, will hold a silent vigil in the center of Helsinki on Saturday, May 28. They will also hold a Shabbat eve service at the Helsinki synagogue Friday night, according to Morris Abram, chairman of the National Conference on Soviet Jewry (NCSJ), who will head the delegation.

Abram announced the plans at a press conference Monday, which was a prelude for a "Summit Action Day for Soviet Jews" on Tuesday in which Jewish leaders from across the country will be briefed by Secretary of State George Shultz and others at the State Department and on Capitol Hill.

The group will also include two former prisoners of conscience now living in Israel, Yosef Begun and Lev Elbert. Begun will also participate Tuesday in a seminar on religion in the Soviet Union, conducted by Reagan at the White House.

Abram noted that it was particularly symbolic that the American Jewish leaders will demonstrate in Helsinki since "it was in Helsinki that in 1975 the predicate was laid for the rights that are being asserted on behalf of Soviet Jewry."

That was the Helsinki Accords, which "provides that the Soviet Union recognizes international obligations to respect the right of everyone to leave any country including his own and to return to his own country," Abram said.

Abram stressed that the message the Jewish leaders want to give at Helsinki is that "the campaign to free Soviet Jewry so that they can emigrate, those that wish to do so, and to permit those who wish to remain to live as Jews without any limitations and without any discrimination of a public nature against them will continue, and we will never abate and we will never rest until we are successful."

Begun stressed that the struggle to allow Jews in the Soviet Union to have their rights as a national minority is as important as to press for emigration, since only 10 percent of the Jews in the USSR have emigrated.

He said that while "glasnost" has allowed the Soviet people more freedom to develop their cultural life "this does not extend to Jewish rights. There is no real changes in the situation of Soviet Jews as a national minority."

JEWISH EMIGRATION BREAKS '81 RECORD

NEW YORK, May 2 (JTA) -- A total of 1,088 Jews left the Soviet Union during the month of April, according to figures provided by the National Conference on Soviet Jewry and the Geneva-based Intergovernmental Committee for Migration.

This is the highest number of Jews to leave the Soviet Union in a single month since May 1981, when 1,110 emigrated.

The April figures bring 1988 emigration to date to 3,526 Jews, surpassing the 1982 year-end total of 2,688, and totals for all years since.

Soviet Jewry activists, however, note that

emigration levels are still well below those of 1979, when more than 51,000 Jews were allowed to leave the country.

Of the 1,088 Soviet Jews who left in April, 11 took direct flights to Israel via Bucharest, Romania. But 908 Jews or 83.5 percent chose to go to countries other than Israel, making April the worst ever month for neshira, according to the Public Council for Soviet Jews in Israel.

(Contributing to this report were correspondents Tamar Levy in Geneva and David Landau in Jerusalem.)

SOVIET UMBRELLA GROUP FORMED, COMBINES TWO DOZEN ORGANIZATIONS

By David Landau

JERUSALEM, May 2 (JTA) -- Nearly 400 activists representing two dozen Soviet emigre organizations convened here Sunday night to launch a new umbrella body, and elected ex-refusenik Natan Sharansky as its first president.

Although spokesmen for the new organization insisted it was non-political, seasoned observers regard the formation of the Zionist Federation of Soviet Jewry as a significant development for the 180,000-strong Soviet immigrant community in Israel, and for the world-wide struggle for free Jewish emigration from the USSR.

The founders plan to elect an 11-member executive committee in the near future. Its members will represent the various political and cultural strands within the Soviet immigration movement, and will include, for example, one member from the Likud-affiliated Soviet emigre organization and one from a Labor-aligned organization.

According to emigre activist Yosef Mendelovich, the new federation will enable the movement to "speak with one voice." He said they would take extreme care to avoid politics, and that he was confident ideological divisions could be transcended in order to establish a strong, broadly-based organization to serve the common interests of all emigres and activists.

Sharansky, in his acceptance speech, told why the new federation was formed. "We fought the officials of the KGB to make aliyah, and then we had to struggle here with the officials who control absorption. It is time we stopped fighting the bureaucrats and started to take responsibility for our own affairs," he said.

Some observers see the new federation as a challenge to the establishment-linked Public Council for Soviet Jewry, which has existed for many years and is led by public figures.

They also see it as a possible attempt to forge direct links between the activist leadership here and the leadership of diaspora Jewry, circumventing the existing World Zionist Organization-Jewish Agency channels.

The new federation probably will seek financial and political support from the United States and other Jewish communities, directly and independent of existing fund-funneling structures.

The federation has not yet taken a position on the Israel government's recent changes in visa arrangements aimed at restricting Israeli visas to those Soviet Jews who intend to come to Israel.

Under the new arrangements, those immigrants would pick up their visas in Bucharest, Romania, from where they fly directly to Israel. Other would-be immigrants would apply for visas to the country of their choice, which they may do under the revised Soviet exit regulations.

EAST GERMANY MAKING OVERTURES TOWARD FRIENDSHIP WITH JEWS

By David Kantor

BONN, May 2 (JTA) -- East Germany has embarked on a major effort to appease Jewish communities worldwide, especially in America and in Israel, as a means toward improving its relations with Washington, according to West German officials and independent analysts here.

The West German sources said Sunday that the short term goal of East Germany is to prepare the ground for a possible visit to Washington by the veteran Communist leader Erich Honecker.

Beyond that, they added, East Germany is seeking "most favored nation" trade status with the United States, in hopes of broadening its base of recognition and legitimacy in the West.

West German officials were surprised several weeks ago by an East German announcement of possible reparations for Jewish victims of Nazi persecution.

West German officials warn against exaggerated expectations in this respect. Nevertheless, they add, the readiness of East Germany to raise the matter in negotiations with Jewish organizations was very significant.

Delegation To Israel

Other important signs of the new trend have been the invitation to an East German delegation to visit Israel. It was sent by the Moscow-oriented Israeli Communist Party, apparently as part of a strategy to improve relations between Jews and East Germans.

East Germany has been consistent in portraying Israel as a state based on violence and aggression toward its neighboring Arabs. The state-controlled East German media have regularly equated Israel with the Nazis since the Palestinian uprising began in the occupied territories.

But at the same time, top East German officials have received Israeli personalities and have gone out of their way to demonstrate good will.

The chief editor of the Israeli daily Haaretz, former Knesset member Gerschom Schocken, was the guest late last year of Klaus Gisy, the minister responsible for handling relations with the ethnic and religious groups in East Germany.

A leading Israeli scholar, Professor Shlomo Avineri of the Hebrew University, was invited recently to a series of lectures in East Germany. Avineri, a former director general of the Foreign Ministry in Jerusalem, helped shape the Israeli policies vigorously denounced by East Germany.

Visit to Washington

An important new development, according to West German analysts, is the upcoming visit to Washington of Hermann Axen next week. Axen, the chairman of the Foreign Policy Committee of the Volkskammer, the East German parliament, is the highest ranking East German official to ever visit Washington.

West German observers speculate that Axen will include a meeting with Jewish leaders in his Washington or New York itinerary. This, they added, would certainly help East Germany polish its image in America, and possibly place it in a position to pursue more ambitious goals.

West German analysts conclude that for East Germany, reducing tensions with Israel and with the American Jewish community is extremely important to improving relations with Washington.

ISRAELI WHOM THE PLO IDENTIFIED AS 'HIT MAN' IS DETAINED IN GREECE

By Jean Cohen

ATHENS, May 2 (JTA) -- An Israeli citizen was in custody here for 24 hours last week on the complaint of a Palestine Liberation Organization official that the Israeli was planning to kill him.

Itzhak Ferara, 35, was arrested at Athens airport Thursday morning, held incommunicado for 24 hours and released Friday. No charges were filed against him. Ismat Sabri, 33, the PLO counselor here, had identified him at a police lineup as the alleged "hit man."

Sabri said he entered his apartment building last Wednesday evening and saw a couple studying the directory of tenants. He said he questioned them and was told by the man that they were looking for a friend.

He said the couple then walked aimlessly around the area. Sabri said he followed them. They returned to the apartment building, got into a rental car and left. Sabri gave the car's license number to the police, saying he feared he was a target of Israeli agents.

He said he asked the couple if they were Israelis and they said they were. The police acting on Sabri's suspicion, arrested Ferara at the airport just before he went to passport control for departure.

Contrary to diplomatic practice, he was not allowed to contact the Israeli diplomatic mission here nor was the mission informed of his arrest. The police admitted Ferara was in custody only after the PLO announced his arrest at a news conference.

PLO emissaries are obviously nervous since the April 18 assassination of Khalil al-Wazir, the leader of Al Fatah, at his villa in suburban Tunis. The act is widely attributed to Mossad, the Israeli secret service, though the Israeli government has neither confirmed nor denied it.

Diplomatic observers here said if the Mossad wanted to eliminate Sabri, it had ample opportunity to do so without sending agents to wander aimlessly around his apartment building.

JEWISH UNDERGROUND TAKES CREDIT FOR BOMBING CLUBS RUN BY LE PEN

By Edwin Eytan

PARIS, May 2 (JTA) -- An underground group calling itself the Jewish Combat Organization has declared war on the extreme right-wing National Front headed by erstwhile presidential candidate Jean-Marie Le Pen.

It claimed responsibility for four bomb attacks and break-ins Sunday against National Front clubs and associations in the center of Paris.

The small, homemade bombs, which were inserted in mailboxes hurt no one and caused only minor damage. But one passerby was injured slightly in a clash, police reported.

The Jewish Combat Organization attacked two extreme right-wing bookstores here in January and the editorial offices of the far right weekly National Hebdo last December.

The bombing of the Le Pen clubs coincided with a huge pro-Le Pen demonstration during which tens of thousands of his supporters marched down the boulevards with flying flags and booming brass bands to the cry of "France for Frenchmen only."