

**SHAMIR RESISTS U.S. PRESSURE,
REJECTS 'QUICK-FIX' SOLUTIONS**
By Andrew Sllow Carroll

NEW YORK, June 6 (JTA) -- Israeli Prime Minister Yitzhak Shamir appeared nonplused Monday by U.S. Secretary of Shultz's remarks that Israel's occupation of the West Bank and Gaza Strip is a "dead-end street."

Appearing before the Conference of Presidents of Major American Jewish Organizations one day after his three-hour meeting with the secretary of state, Shamir said of Shultz and President Reagan: "We may not always agree on everything, but they have never allowed our disagreements to affect our friendship."

Shamir made no direct reference to Shultz's remarks during a 15-minute address and short question-and-answer session with the Jewish leaders.

But after praising Shultz on his fourth peace-making mission to the Middle East, Shamir declared that "there is no quick fix for our complex situation," and that the Camp David accords "still offer the best plan for progress towards peace."

"We cannot be asked to trust any future agreements if this one is declared dead nine years after it was born," the prime minister said.

Shamir said he told the secretary of state Sunday that he continued to oppose U.S. calls for an international peace conference and a three-year timetable for deciding the final status of the West Bank and Gaza Strip.

As he repeated Monday, Shamir believes that direct negotiations, without preconditions, are "the only way to settle disputes between sovereign nations."

"I am used to pressure on me, but it doesn't have any impact on me," he said when asked about criticism of his stance.

Unrest 'Shattered Illusions'

Shamir said the results of the unrest in the administered territories will be viewed as "salutary because they have shattered illusions."

He then listed six such illusions, including the belief that Palestinians will be satisfied with a state within the West Bank and Gaza, that further concessions by Israel will lead to peace and, in another apparent dig at the U.S. peace plan, "that we can be forced by violence to act against our interests."

Shamir did praise Reagan for continuing to press the Soviet Union on human rights at last week's superpower summit. The subject of Soviet Jewry led the prime minister to a declaration condemning the practice of Soviet Jews "dropping out" on their way to Israel.

"Let me explain again that the State of Israel cannot lend itself to the perpetuation of fraud by granting Israeli visas to those who apply to go to Israel and who have no intention of doing so. It undermines our credibility, impugns our integrity and insults our sovereignty."

A note of discord entered into the meeting during the question-and-answer period, when Menachem Rosensaft, president of the Labor Zionist Alliance, told Shamir that polls of U.S. Jews indicate greater support for a peace settle-

ment based on a "land-for-peace" formula than for the policies of Shamir's Likud bloc.

Amid cries of "Lies, lies!" from supportive audience members, Shamir repeated his belief in direct negotiations with the Arabs to determine the final status of the administered territories.

**SHAMIR TO CONFER WITH SOVIET
FOREIGN MINISTER ON THURSDAY**
By Yitzhak Rabi

NEW YORK, June 6 (JTA) -- Israeli Premier Yitzhak Shamir will meet Thursday with Soviet Foreign Minister Eduard Shevardnadze in New York, Israeli officials confirmed Monday.

It will be Shamir's first meeting in his capacity as prime minister with a Soviet official of such high rank. According to Avi Pazner, Shamir's press spokesman, the premier considers the meeting, expected to last more than an hour, to be "extremely important."

Shevardnadze and Shamir are expected to discuss a number of issues, Pazner said, including the resumption of diplomatic relations between Israel and the Soviet Union, which was broken off by Moscow 21 years ago during the 1967 Six-Day War.

Shamir arrived here Monday morning on a four-day visit to attend the Third Special Session of the U.N. General Assembly on disarmament. He is scheduled to address the Assembly Tuesday, and will present a major plan for Middle East disarmament, Israeli officials told the Jewish Telegraphic Agency.

The officials did not go into detail but indicated the plan calls for demilitarization of the entire Middle East. Speaking to reporters at Ben Gurion Airport before leaving for New York Sunday night, Shamir stressed that disarmament was as urgent an issue in the Middle East as it was between the two superpowers.

It was vital, he said, because of the introduction of chemical warfare in the 7-year-old Iran-Iraq war.

The upcoming meeting with Shevardnadze, meanwhile, will be the major event of Shamir's brief stay here. Shamir met five years ago, in his capacity as foreign minister, with the Soviet Foreign Minister, Andrei Gromyko. Israel's present foreign minister, Shimon Peres, met with Shevardnadze in New York last fall.

'Wants To See For Himself'

Pazner said that Shamir "has been hearing so much about changes in the Kremlin and he wants to see for himself if indeed there is a change in the Soviet position toward Israel."

Sources with Shamir's entourage indicated that the premier will insist at his meeting with Shevardnadze that Moscow resume diplomatic ties with Israel at once, without preconditions.

The sources admitted that the prime minister is aware that things cannot change overnight. But he wants to move in the direction of renewed diplomatic ties, and toward that end would like to see a "dialogue" open between Jerusalem and Moscow.

Shamir's first major diplomatic meeting here Monday was a luncheon with West German Foreign Minister Hans-Dietrich Genscher at the

Regency Hotel. Genscher is currently chairman of the European Community's Council of Ministers.

According to Pazner, who briefed Israeli reporters, Shamir was sharply critical of the sanctions EC invoked recently against Israel in connection with the Palestinian uprising.

Genscher reportedly said his country opposes all forms of economic sanctions and assured Shamir that West Germany will act against such measures aimed at Israel.

Shamir also referred to the Arab summit scheduled to open Tuesday in Algiers. He expressed concern that it could re-ignite the Palestinian uprising which is waning, according to Shamir.

Another issue discussed between the two officials was Jewish emigration from Soviet Union. Genscher revealed to Shamir that the Soviets have been allowing about 3,000 ethnic Germans to leave the USSR each month during the past year, compared to only 1,000 to 1,200 Jews permitted to emigrate each month this year.

Shamir briefed Genscher on his meetings in Jerusalem Sunday with U.S. Secretary of State George Shultz, who was visiting the Middle East to advance his peace initiative, begun last winter.

(Tel Aviv correspondent Hugh Orgel contributed to this report.)

WHITE HOUSE SAYS THIS MAY BE LAST OF SHULTZ'S MISSIONS TO THE MIDEAST

By David Friedman

WASHINGTON, June 6 (JTA) -- The Reagan administration indicated Monday that while it plans to continue working for a solution to the Arab-Israel conflict until its term expires in January, Secretary of State George Shultz may have made his last trip to the Middle East.

White House spokesman Marlin Fitzwater conceded that Shultz "was not particularly optimistic" after his three-hour meeting Sunday with Israeli Premier Yitzhak Shamir.

Shultz emerged from the meeting to report that there was no change in Shamir's opposition to the peace plan the secretary proposed in February.

Shamir is opposed to Shultz's proposal for an international conference to set the stage for negotiations between Israel and a Jordanian-Palestinian delegation. He also is against the secretary's proposed three-year timetable for deciding the final status of the West Bank and the Gaza Strip. He prefers the five-year timetable specified in the Camp David accords.

After meeting with Shamir, an apparently frustrated Shultz warned Israel that its continued occupation of the territories is "a dead-end street."

But the U.S. official also got little satisfaction in Jordan, where King Hussein, with whom he met Saturday, refused to enter negotiations unless he had a commitment from Israel to give up territory.

'A Message Of Hope'

The only support Shultz received was from Israeli Foreign Minister Shimon Peres, who said the secretary brought "a message of hope to the region."

Fitzwater said Shultz, who was in Syria on Monday, "wanted to touch bases with everybody, one more time, to see if he could get any movement."

The White House official, though, did not rule out a return to the region. "If some break

would occur, or some progress could be made, I'm sure the secretary is always available," he said.

However, he indicated that if future trips to the Middle East were deemed advisable they most likely would be undertaken by Richard Murphy, assistant secretary of state for Near Eastern and South Asian affairs, who he said "will continue to be available for talks at any time."

"We intend to stay engaged, we are ready to talk at any time," Fitzwater stressed. "We want to leave the next administration with as good a platform as possible to deal with the issue," he said.

But the White House official gave a bleak assessment of the chances of resolving the Arab-Israeli dispute, saying, "Prospects are the same as they have been for the last 2,000 years."

U.S. AGAIN APPEALS ON AWAD'S BEHALF

By David Friedman

WASHINGTON, June 6 (JTA) -- The State Department urged Israel on Monday not to deport Mubarak Awad, a Palestinian with U.S. citizenship, despite a ruling Sunday by the Israeli Supreme Court that he can be expelled from the country.

"Notwithstanding the court's decision, we continue to urge that he not be deported," State Department spokeswoman Phyllis Oakley said.

At the same time, Oakley noted that Awad, who advocates civil disobedience against Israeli rule, "was given every opportunity to present his case in the Israeli court."

The three-judge panel, in its decision Sunday, ruled that although Awad was born in East Jerusalem, he forfeited his residency status when he became an American citizen after the 1967 Six-Day War.

The court did not rule on the Israeli government's contention that Awad is a threat to security because of his public support of the Palestinian uprising against Israeli military rule in the West Bank and the Gaza Strip.

Oakley noted that Secretary of State George Shultz raised the issue with Premier Yitzhak Shamir, who is also interior minister and thus "makes the final decision on whether Mr. Awad should be deported."

FRANCE SIGNS ARMS DEAL WITH SAUDIS

By Edwin Eytan

PARIS, June 6 (JTA) -- France and Saudi Arabia signed a \$550 million arms sale contract in Jidda on Sunday that will provide the Saudis with sophisticated weapons systems they have been unable to purchase in the United States.

The deal, announced here by the government-controlled company responsible for arms exports, is the first of several being negotiated by the two countries.

According to French sources, future contracts will run into several billion dollars worth of combat aircraft, air-to-air and air-to-ground missiles and Exocet missiles, which proved deadly in the Persian Gulf and Falkland Islands wars.

Saudi Arabia had hoped to get many of these systems or their American equivalents in the United States, but Congress blocked the Reagan administration from supplying them.

The contract signed Sunday calls for the sale to Saudi Arabia of 20 fast missile boats, 12 Super Puma attack helicopters and a large number of Exocets.

**RABIN MAY EASE RULES IN TERRITORIES;
IDF COMPENSATES BEITA VILLAGER**

By Gil Sedan

JERUSALEM, June 6 (JTA) -- Defense Minister Yitzhak Rabin will consider easing restrictions on the Palestinian population in the administered territories, according to two Knesset members who met with him in his office here Monday.

Amnon Rubinstein and Yitzhak Artzi, members of the new Center movement, said Rabin's concessions would be contingent on the continuation of the present relative calm in the territories.

According to one report, the concessions could include a reform of the administrative detention appeals process.

Meanwhile, the head of the civil administration in the West Bank, Col. Rami Yadin, handed over a check for 35,000 shekels (\$22,000) to a resident of Beita village, near Nablus, as compensation for the destruction of his home by the Israel Defense Force in April.

The IDF demolished 14 homes in Beita as a punitive measure against villagers who took part in an April 6 confrontation with teen-age Jewish hikers from nearby the nearby settlement of Eilon Moreh.

The man who received the check was found to have had no part in the incident, and the payment was an admission of the IDF's error.

In another development, a military court on Sunday sentenced Pvt. Yaacov Tamir, 24, to one year in prison for manslaughter in the Gaza Strip last January.

The soldier was found guilty of the unwarranted shooting of a local storekeeper, who approached the military truck in which Tamir was riding while other soldiers were chasing stone-throwers.

Tamir, who emigrated from Ethiopia four years ago, was found to have been under great emotional strain at the time of his induction into the armed forces. The military court criticized the decision to assign him to combat duty.

In another security development, two firebombs were thrown into an empty Egged bus parked at the central bus station in East Jerusalem on Monday. No one was hurt and the damage was slight.

May Replace Appeals Boards

During his meeting with the two Knesset members, Rabin reportedly said he might replace the military appeals boards with a judge authorized to overturn administrative arrests.

Under the present system, there is no judicial supervision of administrative detention. The only recourse a detainee has is to the military appeals boards, which so far have heard only a tiny fraction of the cases.

Administrative detention, a holdover from the British Mandate, allows the authorities to detain a person for renewable six-month periods without filing formal charges or bringing them to trial. There are presently some 1,900 Palestinians under administrative detention.

Rubinstein and Artzi, who were to leave Tuesday for a conference of the Liberal International, said they would introduce legislation to declare Rabbi Meir Kahane's extremist Kach party illegal in the administered territories.

That would empower the Defense Ministry to disarm Kach members carrying weapons in the territories.

**TERRITORIES CALMER, BUT UNSTABLE,
IDF COMMANDER TELLS REPORTERS**

By Andrew Silow Carroll

NEW YORK, June 6 (JTA) -- The commander of the Israel Defense Force in the West Bank told reporters here Sunday that the Palestinian uprising in the Israeli-administered territories "has passed its peak and is now in its declining trend."

But Maj. Gen. Amram Mitzna, head of the IDF's central command, warned at a news conference here that there has been "no change in factors that led to the uprising" and the situation in the West Bank and Gaza Strip remains "unstable."

Mitzna also denied vehemently that incidents of abuse of Palestinians were part of a systematic army policy.

"True, there are more than we expected--irregularities or exceptions when a soldier or a young officer or commanders did not follow instructions," he said.

But incidents in which soldiers go beyond instructions to use "reasonable force" are thoroughly investigated, he said.

He estimated that court-martials have been carried out in "several dozens cases -- each case more than one soldier."

Otherwise, Mitzna said he was "happy to say we were surprised by how our soldiers behaved." The general also said he was pleased at "how clearly they understood the mission" and added that there is no problem with morale.

Mitzna is in the United States for one week, at the invitation of the United Jewish Appeal. After meetings with UJA leadership in New York, he is scheduled to travel to Washington for meetings of an unspecified, private nature.

Military Government Vs. Anarchy

During the news conference, Mitzna, 43, was careful to deflect questions of a political nature in favor of discussion of the IDF's mission to "contain violent incidents and return tranquility" to the West Bank.

"Most of the people in Israel understand that in the situation now," he said, "the choice is not between self-autonomy for the Palestinians versus a military government, but between military government, as imperfect as it may be, and anarchy."

The general defended IDF measures that have come under criticism abroad. He said the practice of putting Palestinians under administrative detention is a legitimate means of restoring tranquility to the region.

The Palestinians have gained little in almost six months of unrest, Mitzna said, and have "retreated back almost 10 or 15 years" in their relationship with the Israeli government.

But he warned that the unrest had sparked some "irreversible" changes among the Palestinians, including a new-found political self-confidence, the rise of a young, militant leadership and a revival of Islamic fundamentalism.

He predicted an increase in terrorist acts "by individuals and small groups" out of frustration over the futility of the recent unrest.

Declining to say how Israeli politicians could defuse these changes, Mitzna again spoke from a military perspective.

"We want the Palestinians not just to fear when they see an Israeli soldier, but to respect an Israeli soldier," he said.

JEWISH GROUPS OFFER SHARP REACTION TO HBO'S 'VERDICT' ON WALDHEIM CASE

By Susan Birnbaum

NEW YORK, June 6 (JTA) -- Jewish groups and legal experts reacted negatively to the airing Sunday night of a Home Box Office television special on Kurt Waldheim's wartime deeds, and to the "not-guilty" verdict delivered at the end of the show by an international panel of five judges.

The unanimous verdict was delivered by satellite from London, where the "trial"--"Waldheim: A Commission of Inquiry" -- was held.

"We conclude unanimously," the judges said, "that the evidence which has been put before us is not enough to make it probable that Lieutenant Waldheim committed any of the war crimes alleged against him in this inquiry."

In effect, the judges ruled that there was insufficient evidence to warrant Waldheim's standing trial for complicity in Nazi wartime atrocities.

Seymour Reich, international president of B'nai B'rith, called the program "a bizarre HBO presentation, purporting to examine the allegations of war crimes against Kurt Waldheim."

Reich said viewers "were not told of the evidence, if any, that eluded the researchers. We were not told of the witnesses who would not, or could not, face the cameras. Most prominent among the latter were Neal Sher of the U.S. Department of Justice and Kurt Waldheim himself.

"A number of well-intentioned and serious people were involved in this program, but there is no reason anyone should take this 'inquiry' seriously," he said. "Those who did, and disagreed with the judges' decision, will perhaps be permitted to appeal to Ted Turner (who owns Cable News Network) or some higher cable authority."

'Consumer Fraud'

Elan Steinberg, executive director of the World Jewish Congress, which initiated the inquiry into Waldheim's past, said simply, "What do you want from a television show that had absolutely no access to the documents of the U.S. Justice Department or of the World Jewish Congress?"

Steinberg likened what they presented on television to "consumer fraud."

"It was deceptive packaging. They purported to show a trial when it was not. It was not, because one, witnesses could lie without sanctions against perjury; two, they could not subpoena evidence; three, they did not even have Waldheim's personal notes; and four, the defendant himself could not be cross-examined."

He added, "I'm looking forward to the musical version on 'Showtime.'"

Steinberg said the WJCongress will release a documented dossier on Waldheim's Nazi past. "We are sending it to each member state of the United Nations, because Waldheim continues to receive an \$80,000 a year pension from the U.N., which we are seeking to have stripped from him."

Brooklyn District Attorney Elizabeth Holtzman said, "There has been a real determination by a real government, by a real law, acting under the Holtzman amendment, which has determined that there is a prima facie case that Kurt Waldheim assisted in persecution under the Nazis and is to be barred from the U.S."

Waldheim, Holtzman added, "could have challenged that determination in a real court and be given real due process, but he has chosen not to do so."

FINANCE MINISTER DEMANDS BANK LEUMI RENEGOTIATE SEVERANCE AGREEMENTS

By Hugh Orgel

TEL AVIV, June 6 (JTA) -- Shock waves from the October 1983 bank shares scandal reverberated anew in the financial community Sunday, when Finance Minister Moshe Nissim questioned the value of the Bank Leumi's collateral on a government loan.

Bank Leumi and four other of Israel's largest banks were bailed out by the Treasury nearly five years ago after their shares, a favorite saving instrument of the public, collapsed on the Tel Aviv stock exchange. The government was forced to step in to guarantee the shares.

Part of the arrangement was a freeze on the Bank Leumi shares. The government agreed to make the sums available for their repurchase by the bank in 1988.

The redemption date fell due several months ago and the Treasury provided the money in the form of a loan secured by the shares.

But the usually mild-mannered Nissim sent a scathing letter Sunday to the Bank Leumi directorate questioning its good judgment and hence the value of the shares.

Nissim's wrath was directed at the huge emoluments paid by the bank to 23 senior executives who were forced to resign in the wake of the 1983 scandal, notably Ernst Japhet, former board chairman and chief executive officer.

The present board of directors supposedly reduced the severance payments voted Japhet and others by its predecessor.

But one of the board members, Professor Shimon Shetreet, disclosed last week that it in fact had not.

The payments, including pensions, amount to about \$75 million, which Nissim called outrageous and a danger to the value of the bank's securities. He demanded that the board cancel the severance agreements and renegotiate them.

LAWYERS APPEAL FOR ANNE POLLARD

By William Saphire

NEW YORK, June 6 (JTA) -- Attorneys for Anne Henderson Pollard filed an appeal in the U.S. Court of Appeals for the District of Columbia Monday seeking proper medical treatment and/or commutation of her sentence to time already served.

Pollard, 28, wife of convicted spy Jonathan Pollard, suffers from severe gastrointestinal disorders, allegedly exacerbated by her incarceration in federal prisons.

Her attorneys say in their appeal that she has received grossly inadequate medical care, has lost 60 pounds and is in almost constant pain.

Anne Pollard has served 18 months of two concurrent five-year sentences as an accessory after the fact to her husband's possession of national defense documents and conspiracy to receive embezzled government property.

Jonathan Pollard is serving a life sentence for spying for Israel.

The Jewish Telegraphic Agency was informed of the latest appeal by Pollard's father, Bernard Henderson. He said her attorneys have been trying unsuccessfully to allow her private physician to treat her.

Henderson said his daughter was transferred May 9 from a federal prison in Lexington, Ky., to one in Rochester, Minn., near the Mayo Clinic.