

PLO DEMANDS BLAMED FOR CANCELLATION OF MURPHY MEETING WITH PALESTINIANS
By Hugh Orgel

TEL AVIV, Aug. 10 (JTA) — American and Palestinian observers are blaming the Palestine Liberation Organization for the cancellation of a planned meeting in Cairo between U.S. envoy Richard Murphy and a group of Palestinians.

Murphy, who is assistant secretary of state for Near Eastern and South Asian affairs, was in Cairo as part of a diplomatic mission that included meetings earlier in the week in Amman, Beirut and Jerusalem.

He was to meet in Cairo with representatives from the administered territories as part of a U.S. effort to reach out to Palestinians, who say they have been excluded from American peace initiatives in the region.

Sources in the territories who were involved in trying to arrange the meeting attributed the failure to disagreement between the United States and the PLO over escalating PLO demands.

In particular, the United States was said to have balked at three key PLO requests: that the Palestinian delegation be considered under PLO auspices; that the delegation be expanded to include figures identified with leftist organizations; and that a communique to be released at the end of the meeting be issued jointly by the PLO and the United States.

Hanna Siniora, editor of the East Jerusalem daily Al-Fajr, criticized the PLO demands as exaggerated. He told the Hebrew daily Haaretz that the PLO should have taken into account the number of concessions already agreed to by the United States, including an agreement to allow the PLO to choose the participants in the meeting.

Pressure From Leftist Factions

American diplomats in Jerusalem were reportedly angry that the meeting did not take place. They blamed "PLO stubbornness," according to sources.

The PLO's shifting list of ground rules also was seen here as pointing to the increasing influence within the organization of such leftist Palestinian factions as George Habash's Popular Front for the Liberation of Palestine and Nayef Hawatmeh's Democratic Front for the Liberation of Palestine.

Observers in the territories familiar with internal PLO affairs told Haaretz that the leftist factions exerted heavy pressure on the less extreme Al Fatah wing, led by PLO chief Yasir Arafat, to torpedo the meeting.

Without their interference, the observers said, pragmatic voices within the PLO seemed clearly interested in a meeting between so-called nationalist Palestinians and U.S. representatives, even if the Palestinians would not be considered PLO representatives.

The United States officially refuses to talk to the PLO until it renounces terrorism, recognizes Israel's right to exist and endorses United Nations resolutions calling for a peaceful settlement of the Arab-Israeli conflict.

But U.S. mediators in the past have tacitly allowed the PLO to play a role in selecting

representatives for negotiations.

The New York Times on Wednesday quoted Arafat as saying that two of his aides had met in Morocco recently with Vernon Walters, the chief U.S. representative to the United Nations. But Walters' office told the Times that no such meeting had taken place.

NOW ISRAEL IS CUTTING SALARIES TO CIVIL SERVANTS IN TERRITORIES
By Gil Sedan

JERUSALEM, Aug. 10 (JTA) — Israel's civil administration in the West Bank and Gaza Strip announced plans to lay off 350 Arabs working for the administration, in addition to the 400 who have either resigned or been laid off in the past few weeks.

Sources in the civil administration, which serves as a military government in the territories, called it a cost-cutting measure.

But the move also signals that Israel does not intend to step in to fill the vacuum created by King Hussein of Jordan, who last week cut off salaries to about 21,000 full- and part-time workers in the West Bank and Gaza Strip.

The civil administration said it is undergoing a deep financial crisis. Officials said that due to the long commercial strike, the civil administration received only half of the tax revenue it obtained last year from the 1.5 million Arabs living in the territories.

Sources said the Israeli layoffs were half of 1,500 originally planned.

In an apparent effort to ease the pain caused by the latest Jordanian measures, the civil administration decided that until Sunday, Arabs wishing to cross the Allenby Bridge into Jordan need not apply for any special permits.

Bridges into Jordan will be open from 6 a.m. to 6 p.m., to allow Palestinians who wish to do so to clear up any business with Jordan.

Officials said traffic at the bridges was up sharply last week, because Palestinians feared Hussein would move to close them.

Meanwhile, an Israeli soldier was hospitalized Wednesday after two firebombs were thrown at an army patrol in Ramallah.

The attack came as a general strike paralyzed the territories. The strike was called to mark the end of the eighth month of the Palestinian uprising.

PARTISAN DISCORD ON PEACE PROCESS ERUPTS IN KNESSET, INNER CABINET
By Gil Sedan

JERUSALEM, Aug. 10 (JTA) — Red-faced Labor and Likud ministers exchanged sharp accusations Wednesday, in what eyewitnesses called one of the ugliest confrontations ever seen in the weekly session of the Inner Cabinet.

Partisan discord also carried over into a special recess session of the Knesset, where Prime Minister Yitzhak Shamir defended Likud's position by saying any attempt to set up an independent Palestinian state in the territories will be suppressed "with an iron fist."

During the Inner Cabinet session, Shamir and Foreign Minister Shimon Peres were reported to

have faced off, waving their arms.

Peres, who heads the Labor Party, charged that the Likud has opposed every proposal for peace, including the 1979 treaty with Egypt and the withdrawal from the war in Lebanon.

"You are supporting the Arab stand," countered Shamir, who leads the Likud bloc.

"The truth knows no boundaries," said Peres, adding he would not be moved from his belief in peace.

"But there is a limit to the lies you can tell," Shamir retorted.

At the Knesset, member Gadi Yatziv of the left-of-center party Mapam asked when the government would realize it would achieve nothing by detentions, deportations and the demolition of Palestinian houses.

Call For Talks With PLO

He urged the Labor Party to adopt the Yariv-Shemtov formula, which would allow negotiations with the Palestine Liberation Organization if the PLO renounced terrorism.

"It is the Palestinian people whom we fight against and with whom we should make peace," said Yatziv.

But Shamir said there was a national consensus against negotiations with the PLO, which he described as "a murderous organization bent only on Israel's destruction."

Shamir said that Israel would continue to administer the territories, whether King Hussein's decision to sever ties with the territories was "tactical or strategic."

Shamir also dismissed international calls for self-determination for the Palestinians as "hypocritical, phony and meaningless."

Israel is committed to the Camp David process, he said, but warned that unilateral commitments preventing Israel from annexing Judea, Samaria or the Gaza Strip "cannot last for ever."

ISRAEL HOPES TALKS WILL RESUME ON SETTLING TABA LAND DISPUTE

By Gil Sedan

JERUSALEM, Aug. 10 (JTA) -- Talks between Israel and Egypt aimed at reaching a compromise on the Taba land dispute will continue, Israeli officials said Wednesday, a day after negotiations in Cairo broke down.

Differences among Israeli negotiators are reportedly to blame in part for the breakdown of the talks in Cairo, which were aimed at reaching a compromise before an international panel of arbitrators issues its binding verdict next month.

The panel is expected to grant Egypt sovereignty over the two-square-mile beachfront area, which is now an Israeli vacation resort. But the arbitrators have agreed to withhold their decision if the two countries achieve a separate compromise.

The Israeli delegation to Cairo, which arrived there Monday, returned to Israel Tuesday night, following two days of hard bargaining. During the talks, the Egyptians made it clear that they would not settle for less than full sovereignty over the tiny border enclave.

However, they said that if Israel publicly accepted their demand, they would then be prepared to consider special access rights for Israeli nationals.

But the differences within the ranks of the Israeli delegation itself marred the bargaining

process sufficiently to send the group home.

Avraham Tamir, director general of the Israeli Foreign Ministry, and Professor Shimon Shamir, Israel's ambassador to Egypt, were deeply offended that they had been excluded from a meeting between delegation head Yossi Ben-Aharon and Egyptian Foreign Minister Esmat Abdel Meguid.

Ben-Aharon is director general of the Prime Minister's Office and a close aide to Premier Yitzhak Shamir of the Likud bloc. Tamir is a close aide to Foreign Minister Shimon Peres, who heads the Labor Party.

Tamir, meanwhile, reportedly turned down an invitation to meet Wednesday with Egyptian President Hosni Mubarak and Meguid, claiming that as a member of the Israeli delegation, he was obligated to return with the group to Israel.

ROSH HASHANAH CAMPAIGN LAUNCHED TO SPUR U.S. TOURISM TO ISRAEL

By Howard Rosenberg

NEW YORK, Aug. 10 (JTA) -- The Israeli Ministry of Tourism, El Al Israel Airlines and the Conference of Presidents of Major American Jewish Organizations announced a campaign this week to encourage U.S. citizens to visit Israel during the coming Hebrew year 5749.

At a news conference here Monday, Moshe Shoshani, Israel's North American commissioner for tourism, said the number of U.S. tourists visiting Israel was down 8 percent during the first seven months of 1988, compared with the same period in 1987.

Before the beginning of the Palestinian uprising last December, El Al, which flies about 55 percent of U.S. visitors to Israel, planned to offer 20,000 additional seats to U.S. tourists this year.

To spur U.S. Jews to visit Israel, Rabbi Joseph Sternstein, who chairs the Committee on Tourism of the Conference of Presidents, said his group is forwarding "pledge cards" to synagogues for distribution at Rosh Hashanah and Yom Kippur services in hundreds of synagogues. Sternstein is president of the Jewish National Fund.

Those who sign the card, addressed to Israeli President Chaim Herzog, pledge that they will visit Israel during 5749.

New Ad Campaign

The conference is also distributing a "Guide to Israel Tourism Resources," which includes telephone numbers for Israel Government Tourism Offices and El Al district offices throughout the United States.

The Conference of Presidents also has set up a hot line designed to provide up-to-date information on tourism and special events in Israel.

Israel's Tourism Ministry will begin a new U.S. advertising campaign in September, highlighting the theme "See Israel: See For Yourself."

The advertisements are being targeted to Jewish audiences and such trade publications as "Golf Digest," which is being asked to run an ad with the teaser, "1,000 Americans will play golf in Israel next month."

But supporters of the campaign rejected criticism that the advertisements do not address the issue of safety for travelers.

Richard Cohen, who handles publicity for the Conference of Presidents, said the campaign would not be effective if it took a defensive posture to "convince you that it's safe" to visit Israel.

ZEFFIRELLI DENIES 'SCUM' SLUR IN LETTER TO JEWISH LEADER

By Andrew Silow Carroll

NEW YORK, Aug. 10 (JTA) -- Italian film director Franco Zeffirelli has assured an American Jewish leader that he never uttered an anti-Semitic slur attributed to him last week by the Italian media.

In a letter to Rabbi Marc Tanenbaum, international relations director of the American Jewish Committee, Zeffirelli also demands apologies for "the plethora of statements made against me by prominent members of various American Jewish organizations."

He refers specifically to AJCommittee's director of interreligious affairs, Rabbi A. James Rudin. Last week Rudin issued a statement calling the slur a "barbaric, poisonous sentiment."

Italian newspapers reported Aug. 3 that Zeffirelli referred to "that Jewish cultural scum in Los Angeles" while criticizing "The Last Temptation of Christ," the controversial film directed by Martin Scorsese that is to be released Aug. 12.

The remark was reportedly a reference to Lew Wasserman, chairman of the MCA conglomerate, and other Jewish principals in the corporation, whose Universal Pictures subsidiary is producing the film.

In denying the remarks to Tanenbaum, Zeffirelli said the words "Jewish cultural scum" were actually those of an Italian reporter.

"One reporter wanted to know what I thought of Lew Wasserman, the man that a group of fundamentalists in the States referred to as being part of 'that larger group of Hollywood Jewish scum.' That was the question posed to me," writes Zeffirelli.

"I said I didn't know anything about Mr. Wasserman being a Jew or being scum," he adds.

Zeffirelli reminds Tanenbaum of their working relationship during the filming of the Catholic director's own, reverent "Jesus of Nazareth."

Tanenbaum was one of three rabbis Zeffirelli consulted to make sure the film "did not become merely more fuel for the fires of prejudice and hatred."

'A Terribly Bum Rap'

"I would have hoped that members of the American Jewish Committee, Hadassah, B'nai B'rith, the World Jewish Congress and the Jewish community at large had the ability to recognize who their friends are in the world," writes Zeffirelli.

In a response to the letter sent Tuesday, Tanenbaum writes that Zeffirelli had gotten "a terribly bum rap."

"I have never collaborated with any creative filmmaker who has shown as you have such reverence for Judaism and the Jewish people," he writes.

According to Tanenbaum, the charges made against the director by other Jewish leaders were made "impulsively and irresponsibly." He added that Rudin's condemnatory statement was "a personal one that does not represent the official views" of the AJCommittee.

In a telephone interview, Rudin defended his original decision to criticize Zeffirelli, saying it was based on a report by National Public Radio.

Zeffirelli has taken out full-page advertisements in Hollywood trade publications denying he made the slur.

WEST GERMANY TRIES FORMER SS MAN, BUT WILL NOT EXTRADITE ANOTHER

By David Kantor

BONN, Aug. 10 (JTA) -- West Germany has put on trial a former SS official charged with complicity in the mass murders of Jews at the Majdanek death camp.

In a separate development, West Germany said Tuesday that there was no suspicion to justify an arrest warrant for Anton Malloth, a former SS official apprehended last week in Merano, Italy.

The trial of Karl-Friedrich Hoecker, who was an aide to the death camp's commander, began Tuesday in the town of Bielefeld. According to the prosecution, Hoecker was responsible for the murder of thousands of Jews between May 1943 and May 1944. As part of his duties at Majdanek, Hoecker ordered large quantities of Zyklon-B, the pesticide-formula gas used in the extermination chambers.

About a quarter of a million people, mostly Jews, perished at Majdanek, located near Lublin in Poland. The camp, originally built to house Soviet prisoners of war and civilian prisoners, was converted into a killing center in 1942 by the SS.

In 1965, Hoecker was sentenced to seven years in prison for complicity in the murder of thousands of Jews at Auschwitz.

On Tuesday, the 76-year-old Hoecker used a newspaper to cover his face while photographers tried to shoot pictures at the courtroom entrance. Visibly angry, Hoecker made a few attempts to step on the photographers' feet.

Inside the courtroom, the court decided that Hoecker could be present only for limited periods of time because of alleged health problems.

No Grounds For Extradition

Meanwhile, a West German prosecutor said Tuesday that authorities would try to question Malloth, but that there appeared to be no grounds to seek his extradition from Italy, where he was apprehended last week.

Malloth had been sought by West German authorities for murder and torture of concentration camp prisoners. He spent five years as an officer in the concentration camps of Litomeric and Terezin, Czechoslovakia. He was sentenced to death in absentia in 1948 by a Czech court for murder and torture.

Klaus Schacht, a prosecutor in Dortmund, said West German authorities had opened an investigation against Malloth in 1970, but closed it because he could not be located.

Malloth obtained West German citizenship after Italy stripped him of his Italian citizenship in 1956 because of his war record.

POLISH DANCER DEFECTS TO ISRAEL

By Hugh Orgel

TEL AVIV, Aug. 10 (JTA) -- A non-Jewish member of a Polish dance troupe that performed in Israel has defected to the Jewish state.

Zigmund Irinias, 27, a member of the Slovianki folk dancers, who participated in an international folk-dance festival in Haifa this week, defected and remained in Israel when the troupe returned home Tuesday.

Irinias is believed to have joined an Israeli Jewish woman he met last year, when both took part in another international folk-dance festival in Canada.

REPUBLICAN PLATFORM TO BE LENGTHY AND FULL OF SUPPORT FOR ISRAEL

By David Friedman

WASHINGTON, Aug. 10 (JTA) -- The Republican National Convention, which opens in New Orleans Monday, is expected to adopt a platform that contains what one Jewish source described as the strongest statement in support of Israel ever adopted by a national party.

"American Jewry will be buoyed by the strong language of the Republican Party's platform on the Middle East and the U.N. anti-Zionism resolution," Sen. Robert Kasten of Wisconsin, a member of the Platform Committee, told Jewish representatives who testified before the committee in New Orleans this week.

The committee began working on the final campaign document Wednesday, in preparation for its adoption by the convention on Tuesday.

But a subcommittee on foreign affairs already has presented the full committee with a working paper that stresses the "moral and strategic relationship with Israel."

"There is no question about our concern about Israel and our friendship with our ally," said Rep. Bill McCollum of Florida, the subcommittee's chairman.

While a copy of the working paper on the Middle East was not available Wednesday, it was learned that it included support for maintaining Israel's "qualitative edge" in military weapons over its Arab enemies.

The Republicans also reaffirmed support for the Arrow, the missile Israel is developing to shoot down ballistic missiles. The United States is paying about 80 percent of the research cost of the missile under the Strategic Development Initiative.

Pledge On U.N. Resolution

The GOP platform also is expected to reaffirm the Reagan administration's position that the United States will leave the United Nations if Israel is expelled.

It pledges to continue to work for the repeal of the 1975 U.N. General Assembly resolution equating Zionism with racism.

The platform also will urge the Democratic Party to remove any aspects of anti-Semitism within its ranks.

The GOP platform is lengthy and full of details, in sharp contrast to the campaign document adopted by the Democrats in Atlanta last month, which was short and stressed themes rather than specific programs.

The Democratic platform has one paragraph on Israel, which stresses the need for "maintaining the special relationship with Israel" and blames the Reagan administration for having "abandoned the peace process in the Middle East."

Vice President George Bush, who is to be nominated the Republican candidate for president at the convention, appeared before the Platform Committee this week to stress the need for a document that provides specific details of the Republican program.

Among those testifying before the Platform Committee were representatives of the American Israel Public Affairs Committee, the American Jewish Committee, the Simon Wiesenthal Center and the National Conference on Soviet Jewry.

Thomas Dine, AIPAC's executive director, told the committee that "the Reagan administra-

tion brought the U.S.-Israel relationship to new heights in the strategic, economic, political and diplomatic spheres, and has done more than any other administration to institutionalize the partnership."

He said the Republicans should focus "on how to raise the level of that baseline" set by Reagan.

Nazi Prosecutions, Soviet Jewry

As ways of doing this, Dine urged a commitment in the platform to maintain U.S. economic and military aid at the current \$3 billion figure and support for institutionalizing the U.S. strategic relationship with Israel.

"Indeed, a formal defense treaty might be a wise avenue to pursue," Dine said.

Rabbi Marvin Hier, dean of the Wiesenthal Center, urged the platform to include a pledge that the United States "shall use its prestige and influence to rescind the infamous 'Zionism is racism' resolution adopted by the United Nations on Nov. 10, 1975, which has legitimized and encouraged worldwide anti-Semitism."

Hier also urged continued bipartisan support for the efforts of the U.S. Justice Department's Office of Special Investigations to prosecute and deport former Nazi war criminals living in the United States.

He spoke after representatives of several East European emigre groups urged that the Republican Party pledge that the OSI no longer "engage in punitive deportation of any criminals to the Soviet Union."

Rabbi David Goldstein of New Orleans, an NCSJ board member, urged that support for Soviet Jewry and the Jackson-Vanik Amendment remain part of the permanent Republican agenda. The amendment links trade benefits to increased Soviet emigration.

The AJCommittee was represented by Ann Kaufman, a board member from Houston.

BONDS LEADERS LAUNCH A RAIL LINE By Gil Sedan

JERUSALEM, Aug. 10 (JTA) -- Some 550 leaders of the State of Israel Bonds Organization gathered in Ashkelon on Tuesday to launch a newly built four-mile extension of the Beersheba-Ashdod railway.

The new portion of the line will enable the shipping of coal from a new terminal at the port of Ashdod to the Rutenberg Power Station, now under construction south of the city.

Israel State Railways General Manager Eliahu Barak said the cost of the new line and renovations on the existing 22 miles of rail total \$25 million.

The State of Israel Bonds Organization is one of the major contributors to the project, many of whose contractors and suppliers are based in development towns, such as Dimona, Yeroham and Carmiel.

Representatives of the Israel Bonds delegation, which hails from the United States, Canada, Latin America and Western Europe, gave the new rails a symbolic tightening with a wrench, and then rode the new line as part of their week-long Israel 40th anniversary celebration and conference, which began Sunday.

Transport Minister Haim Corfu told the visiting Bonds leaders that the new railway was "another link in the unbreakable partnership between Israel Bonds and the State of Israel."