

KENYA RESTORES TIES WITH ISRAEL, IS SIXTH AFRICAN NATION TO DO SO

By Howard Rosenberg

WASHINGTON, Jan. 2 (JTA) -- Kenya on Friday became the sixth African country to restore diplomatic ties with Israel severed during the October 1973 Yom Kippur War, the Israeli Embassy announced here.

In total, 11 African nations now have full diplomatic relations with Israel.

Under Arab pressure, all but four African nations severed diplomatic relations with Israel following the 1973 war. The four were Lesotho, Malawi, South Africa and Swaziland.

Egypt established diplomatic relations with Israel in 1979, when it became the first Arab nation to sign a peace treaty with the Jewish state.

Five other African nations have restored relations since: Zaire in 1982, Liberia in 1983, the Ivory Coast and Cameroon in 1986, and Togo in 1987.

Unlike those nations, which mainly lie on Africa's western coast, Kenya is located in the central eastern region of Africa, bordering on the Indian Ocean. In addition, it shares the southern border of Ethiopia, where an oppressed community of between 10,000 and 15,000 Jews remains, half a decade after the Operation Moses airlifts.

More than three dozen African countries still do not have diplomatic relations with Israel. But the Israeli Embassy said despite that, 425 people from 24 black African countries received training in Israel in 1987 in the fields of agriculture, education and health care.

8 PERCENT DEVALUATION ORDERED, BUT REST OF PERES PLAN IN DOUBT

By Gil Sedan and David Landau

JERUSALEM, Jan. 2 (JTA) -- Finance Minister Shimon Peres faces a tough fight getting the Cabinet and the Knesset to approve his new economic program.

Peres presented his new economic program at Sunday's Cabinet meeting. The ministers did not act on it. But certain aspects of the program will be implemented without delay.

They include an 8 percent devaluation of the shekel, effective Tuesday, on top of last week's 5 percent devaluation. A shekel will be worth 55 cents, compared with 63 cents a week ago.

The main issue in Peres' uphill fight is fairness. One big obstacle is to convince the Histadrut labor federation to accept what amounts to wage cuts in face of rising prices.

Another is to persuade his fellow ministers to accept substantial cuts in their ministerial budgets in order to lop 1 billion shekels from the overall budget.

Defense Minister Yitzhak Rabin made clear he will not countenance the proposed reductions in the defense budget. He called them "unthinkable" and warned of massive layoffs in the defense industries.

Education Minister Yitzhak Navon was equally adamant against the 200 million shekels his ministry is being asked to forego.

Most other ministers have balked as well.

Only Housing Minister David Levy of Likud said he would agree to ministerial budget cuts if necessary, but he thought the economic plan should be "more just and balanced."

Peres conferred Monday with Histadrut Secretary-General Yisrael Kessar and other union bosses. Yitzhak Raz, head of the engineers union, told reporters afterward that the unions want to cooperate, but only if the economic burden is spread fairly.

Salaries Will Be Eroded

"The wage-earners will most definitely not be the only ones to pay the price," Raz declared.

Addressing the Knesset plenum Monday, Peres said he was "neither deaf nor blind" to the hardships of wage-earners and lower-income groups.

Devaluation, in effect, means lower real wages. The government is seeking Histadrut's agreement to forego full compensation for workers for the cheaper shekel.

At the same time, the economic program has already put into effect reduced subsidies for a wide range of goods and services. Their prices have shot up by an average of 20 percent, though fuel costs rose only 5 percent.

Inflation is expected to erode salaries by 7 percent in the months ahead.

Knesset member Yair Tsaban of Mapam, the United Workers Party, said the new plan puts the heaviest burden on lower-income groups and no burden on the rich. He warned that lowering wages would lower morale and productivity.

Levy of the fiscally conservative Likud bloc told Israel Radio on Monday that the country could not ignore its social commitments while trying to rebuild the economy. He said he would oppose "penalties against the public" in the form of education fees and payments for visits to doctors.

Rabin said in a radio interview that the defense budget has been pared back for three straight years and that further cuts would have to come at the expense of research and development projects that could be of critical importance in a year or two.

He also claimed the proposed cuts would mean 3,000 dismissals in the military industries and factory closures in development towns.

Rabin said the Treasury wants to cut 250 million to 300 million shekels from the defense budget. He estimated it would actually amount to a cut of up to 600 million shekels, because the army must absorb the costs of battling the Palestinian uprising in the West Bank and Gaza Strip, now in its 13th month with no sign of abating.

ISRAEL DEPORTS 15 PALESTINIANS AND ARRESTS NINE OTHER ACTIVISTS

By Gil Sedan

JERUSALEM, Jan. 2 (JTA) -- Security forces deported 15 alleged leaders of the intifada over the weekend and arrested nine other Palestinians accused of direct participation in the uprising.

Seven of the deportees were from the West Bank and eight from the Gaza Strip. They were expelled to Lebanon.

A military spokesman said they were deport-

ed because they "participated in leading the intifada."

Two of the Palestinians left voluntarily and were told they could return to the territories in five years if they ceased anti-Israel activity, according to a report in The New York Times.

A total of 47 Palestinians have been deported since the intifada began nearly 13 months ago.

The arrests were made at the Balata refugee camp, near Nablus, where the homes of two suspected intifada activists were blown up Monday morning. The owners were said to belong to the Islamic Resistance Movement, known as Hamas.

The nine arrested are accused of a long list of rock and firebomb attacks, including one on an Israel Defense Force patrol four months ago and another five months ago on a civilian bus.

They are also accused of distributing Hamas leaflets and participation in violent demonstrations inside the camp.

A general curfew was imposed in the territories Sunday to forestall disturbances on the occasion of the 24th anniversary of the founding of Al Fatah. It was lifted Monday, except in certain refugee camps, where it remained in force.

Security forces were surprised Monday to find a street in downtown Ramallah lined with portraits of Palestine Liberation Organization leader Yasir Arafat.

Meanwhile, 60 defense lawyers who represent Palestinians brought before military courts declared a month-long protest strike Monday.

They accused the military authorities of employing tactics and raising obstacles that make it impossible to give their clients a fair defense.

The lawyers said they submitted a list of grievances to the authorities last May, but they were ignored, and new restrictions have been imposed.

INTIFADA'S TOLL: 4 IDF SOLDIERS

By Hugh Orgel

TEL AVIV, Jan. 2 (JTA) -- The first year of the Palestinian uprising cost the lives of four Israel Defense Force soldiers and 764 wounded, according to statistics prepared by the IDF's historical records department for Defense Minister Yitzhak Rabin.

The official figures also list seven Jewish civilians killed and 480 wounded in Israel, the West Bank and Gaza Strip as a result of the uprising, known as the intifada.

Arab casualties, according to the IDF, amounted to 293 killed and 3,595 wounded. The intifada, now in its 13th month, produced 20,121 disturbances and 1,959 attacks in the first year since it began Dec. 9, 1987.

NEARLY 4.5 MILLION PEOPLE IN ISRAEL

By Hugh Orgel

TEL AVIV, Jan. 2 (JTA) -- Jews constituted 81.8 percent of Israel's population at the end of 1988 and non-Jews made up 18.2 percent, according to figures released by the Central Bureau of Statistics.

The population increased by 67,000 or 1.5 percent last year, compared with a 1.7 percent increase in 1987.

There were 4,472,000 people in Israel at the end of the year, 3,656,000 of them Jews.

Moslems numbered about 633,000, or 14.2 percent; Christians about 105,000, or 2.3 percent; and Druse and others about 78,000, or 1.7 percent.

EGYPTIAN PAPER ACCUSES ISRAELIS OF PLOTTING BOMBING OF PAN AM JET

By Hugh Orgel

TEL AVIV, Jan. 2 (JTA) -- Israel is furious with two Egyptian publications.

Jerusalem takes most seriously the charge made Friday by the semi-official Cairo daily Al Akhbar that Israel's secret service, Mossad, was responsible for the bomb that destroyed a Pan American World Airways jumbo jet over Scotland on Dec. 21, killing 259 persons aboard and 11 on the ground.

A Foreign Ministry spokesman, Alon Liel, denounced the charge as "repugnant libel."

He said "Israel is amazed by the fact that an Egyptian official newspaper has published an injurious article of this kind."

Another kind of libel, "The Protocols of the Elders of Zion," a long discredited anti-Semitic forgery, began to appear in installments in the Egyptian Weekly An-Nur (The Light) this month.

The periodical is the organ of Egypt's Liberal Party. The party is linked with the Moslem Brotherhood, a powerful fundamentalist group often at odds with the Cairo government.

Al Akhbar, which is regarded here as reflecting official views, claimed Israel was the most likely suspect in the aircraft bombing, because it was interested in harming the dialogue opened last month between the United States and the Palestine Liberation Organization.

The U.S. Federal Bureau of Investigation reportedly suspects several Palestinian extremist groups opposed to PLO chief Yasir Arafat's move of perpetrating the terrorist act.

Arafat is reported to have offered his services to help track down the perpetrators and to send an assassination squad to dispose of them when they are identified.

In Washington, William Sessions, director of the FBI, welcomed information from the PLO, but rejected the hit squad offer. In an interview with NBC News over the weekend, Sessions said Arafat could provide a "wealth of information" about terrorist factions.

PILOT KILLED IN HELICOPTER CRASH

By Hugh Orgel

TEL AVIV, Jan. 2 (JTA) -- An Israeli air force helicopter being used to shift heavy stone border markers crashed last week, killing its pilot. Three soldiers aboard were injured.

The pilot, Lt. Mordechai Sharon, 25, was buried in Haifa on Friday.

The mishap occurred along the Israeli-Egyptian border.

The big Sikorsky helicopter was employed to move border markers in accordance with surveys being conducted by Israeli-Egyptian teams, accompanied by observers from the United Nations Multinational Force.

The aircraft had trouble dislodging a large stone obelisk to which a cable was attached.

On the second attempt, the cable snapped. The recoil threw the helicopter off balance. It tumbled in the air and crashed.

Observers said the pilot saved the lives of the three other men aboard by switching off the ignition before the helicopter struck the ground.

The three soldiers were flown by U.N. helicopters to a hospital in Beersheba.

The air force has set up an commission to investigate the accident.

EMIGRATION OF SOVIET JEWS HIT A NINE-YEAR HIGH IN DECEMBER

By Susan Birnbaum

NEW YORK, Jan. 2 (JTA) -- Jewish emigration from the Soviet Union jumped to 3,652 in December, the largest monthly total in nine years, according to the National Conference on Soviet Jewry.

That brings the total for 1988 to 19,286, the highest annual figure since 1980, when 21,471 Jews left the Soviet Union. In 1987, 8,155 Jews were allowed to emigrate, and only 914 were permitted to do so the year before.

The conference revised its November Jewish emigration figure to 2,328. The jump to the December figure was "the most substantial monthly increase for 1988," said Debbie Strober, press spokeswoman for the organization.

In fact, more Jews were allowed to leave the Soviet Union in December than in any other single month since December 1979, when 4,145 emigrated, according to National Conference statistics.

"Let us hope that the trend toward increased emigration will continue in 1989 and that all remaining refuseniks will be included," said Shoshana Cardin, the conference's chairwoman.

Strober said the National Conference has ascertained that 2,696 refuseniks remain in the Soviet Union. The number does not include the increasing number of new applicants, she said.

U.S. Welcomes Progress

In Washington, the State Department praised the Soviet Union on Friday for significantly increasing Jewish emigration in 1988. Department spokeswoman Phyllis Oakley said the Soviets "made significant progress" in human rights in 1988.

She also said the United States hopes to see fulfillment of promises made by Soviet leader Mikhail Gorbachev in his Dec. 7 speech at the United Nations. These include extensive changes in Soviet human rights policies, such as those restricting freedom of conscience and association.

Oakley also mentioned Gorbachev's promised changes in Soviet "exit-entry procedures," and specifically a repeal of the law barring emigration to someone privy to state secrets.

In the category of long-term refuseniks, Oakley said many recently received permission to emigrate or saw their "security secrecy restrictions lifted." They include 50 refuseniks who live in or near Leningrad.

Now, the United States is looking forward to "the actual departure of these people from the Soviet Union," she said.

Oakley also cited the Kremlin's release of more than 600 political prisoners since the current Conference on Security and Cooperation in Europe human rights talks began in Vienna in November 1986. She said that includes "all prisoners known to us" charged under political or religious articles of the Soviet criminal code.

Oakley said the United States has not yet decided whether to agree to the Soviets' proposed 1991 human rights conference in Moscow.

Secretary of State George Shultz warned Nov. 30 that for the United States to agree to such a conference, "we have to see the Soviet Union basically complying with what it agreed to in the Helsinki Final Act."

(JTA correspondent Howard Rosenberg in Washington contributed to this report.)

AMERICAN-BORN REFUSENIK ABE STOLAR WILL EMIGRATE, AFTER 13-YEAR WAIT

By Susan Birnbaum

NEW YORK, Jan. 2 (JTA) -- Abe Stolar of Moscow, formerly of Chicago, got a New Year's gift that was long in the works.

Last Monday, Stolar, a refusenik for 13 years, was told by telephone that he and his entire family had received permission to emigrate.

But Stolar, born in Chicago 77 years ago, is not planning to return to live in the city he knew so well as a boy. Instead, he will be going to Israel.

Stolar, speaking in the broad Chicago accent he never lost, told ABC-TV's "Good Morning America" on Monday that he definitely intends to repatriate to Israel. He intends to visit his American hometown.

Stolar's Russian-born wife, Gita, has brothers in Israel, his friend, Dr. Bernard Lampert, told the Jewish Telegraphic Agency. Lampert, is another American-born Jew who was taken as a boy to live in Russia. He now lives in Brooklyn.

Stolar has not yet received written notice, but was told by phone he would be receiving papers and additional instructions at the end of the month.

Stolar's parents, devoted Communists in Chicago, went to live in the Soviet Union for ideological reasons in 1931, when Abe was 19 years old. He became a Soviet citizen.

Stolar remained for years a strong Communist despite his family's sufferings, which included his father's arrest in 1937, during Stalin's purges, and subsequent death in a labor camp, and the arrest and death in labor camp of Abe's brother-in-law. His mother died in 1949.

Stolar's sister, Eva, was also sent to a labor camp, following World War II, for five years.

Eva immigrated to Israel in the early 1970s and lived there for some years, during which time Stolar shipped his belongings to her. Eva finally returned to the United States to live in Los Angeles. She died there in 1978.

In May 1975, Stolar received exit visas for himself, his wife and son. After planning joyously to leave, the entire family was forcibly removed from their plane in Moscow. In June 1975, their visas were revoked.

Met With Reagan

Lampert mused that the reason might have been to make an example of Stolar. The reason the Soviets gave for this stunning blow was that Gita had worked in a laboratory whose work was "sensitive." Now 70, she was a chemical engineer until her retirement in 1972. Her parents died in the Minsk Jewish ghetto during World War II.

Abe worked as an English translator and editor for Radio Moscow. He was dismissed from his job in 1949 during anti-Jewish purges. But after Stalin's death, he was reinstated as a translator at the official Tass news agency.

Stolar eventually received permission to emigrate, but his son's mother-in-law refused to sign a waiver of obligations allowing her daughter to leave. She finally consented last week.

Stolar is crediting President Reagan now for his ability to emigrate. He met with Reagan during the Moscow summit in May. Reagan told Stolar he had discussed his case with Gorbachev.

Stolar voted in American presidential elections, casting his vote at the American Embassy in Moscow.

WITH SPAIN AT HELM OF THE E.C., MORE CONTACTS WITH PLO PLANNED By Yossi Lempkowicz

BRUSSELS, Jan. 2 (JTA) -- Spain took over the rotating chairmanship of the European Community's Council of Ministers Sunday and is likely to be deeply involved in Middle East peace efforts during its six-month tenure.

The Middle East shares top priority on the E.C. agenda, along with East-West relations and the conflicts in Central America, a government spokesman in Madrid was quoted as saying.

Foreign Minister Francisco Fernandez Ordonez said last Thursday that 1989 "might be the year during which the Middle East situation could be unfrozen."

Fernandez is expected to head a delegation consisting of himself and the foreign ministers of France and Greece to Israel early this year for discussions with the leaders of the new Israeli government.

After visiting Israel, the delegation will go to Tunis to meet with Palestine Liberation Organization leader Yasir Arafat.

Palestinian sources in Madrid said Arafat might pay an official visit to Spain at the end of this month. He was last in Madrid in 1979 at the invitation of the then Prime Minister Adolfo Suarez.

The Palestinian sources said, however, that the visit was still "in preparation" and not definitely set.

It was announced, meanwhile, that Lord Henry Plumb of Britain, president of the Strasbourg-based European Parliament, will pay an official visit to Israel from Jan. 9 to 10, at the invitation of the Knesset, Israel's parliament.

The European Parliament is the European Community's legislative body. Plumb was invited by Israel last September when Arafat was paying a visit to the Parliament in Strasbourg, at the invitation of its Socialist faction.

Apart from Plumb's two-day trip, a delegation of 12 European Parliament members representing its main political groups will visit Israel in mid-January.

ARENS DUE IN PARIS FOR MEETINGS WITH SHULTZ, SOVIET AND EGYPTIAN By Edwin Eytan

PARIS, Jan. 2 (JTA) -- Israeli Foreign Minister Moshe Arens will meet U.S. Secretary of State George Shultz in Paris early next week.

It will be the first American-Israeli contact at the ministerial level since Shultz announced Dec. 14 that the United States would open talks with the Palestine Liberation Organization.

Arens is due here on Friday for four days of meetings with world leaders. His purpose is to explain Israel's positions and try to counter the growing tendency of Western diplomats to recognize the PLO as a suitable negotiating partner in the Middle East.

Israeli sources said they hoped that Shultz will give Israel some details of the U.S. talks with the PLO. The first encounter was in Tunis on Dec. 16.

The next meeting is expected later this week, although Washington insisted last week there would be none before the Bush administration takes office Jan. 20.

Israelis also hope the outgoing secretary of state will give some indication of the new admin-

istration's plans with respect to the PLO and the Middle East in general.

Arens and Shultz will meet at an extended working breakfast here. The Israeli foreign minister will be accompanied by Deputy Foreign Minister Binyamin Netanyahu.

Also with him will be Israel's ambassador to the United States, Moshe Arad, and Ovadia Soffer, Israel's ambassador to France.

This will be Arens' first trip abroad since he became foreign minister last month. He will represent Israel at a U.N.-sponsored conference on banning chemical weapons. More than 140 countries are attending.

Israeli officials said Arens will use the international gathering to lobby for Israel's positions and stress its desire to negotiate peace directly with its Arab neighbors.

Arens has meetings scheduled with Egyptian Foreign Minister Esmat Abdel Meguid and with Soviet Foreign Minister Eduard Shevardnadze.

He might also confer with foreign ministers of Eastern European countries and possibly with a representative of the People's Republic of China.

U.S. REBUFFS LIBYAN OFFER FOR CHEMICAL PLANT INSPECTION By Howard Rosenberg

WASHINGTON, Jan. 2 (JTA) -- The United States on Friday rejected Libyan leader Moammar Gadhafi's offer to allow a one-time inspection of his chemical plant in the Libyan desert, which the United States claims is being used to make chemical weapons.

Israel is concerned that Gadhafi might want to deploy chemical weapons against the Jewish state.

State Department spokeswoman Phyllis Oakley said a "one-time inspection," the timing of which would be determined by Gadhafi, would not allow the United States to determine conclusively that the plant was being used to produce only pharmaceuticals, as the Libyan strongman has maintained.

A chemical weapons plant, she said, "could easily be modified to appear as a legitimate industrial chemical plant such as a pharmaceutical or a fertilizer facility."

"All traces of C.W. production could be erased from the plant on extremely short notice," she added.

Gadhafi made the offer earlier in the week through Italian intermediaries, as well as through the media, a State Department source said.

Israel may now be facing an additional threat from the Libyans.

The New York Times reported Sunday that a West German company is helping Libya develop the capacity for air-to-air refueling of its French-made warplanes. This would enable the bombers for the first time to fly distances as far away as Israeli territory.

The Times also quoted unnamed U.S. officials as saying that a West German company, Imhausen-Chemie, is helping the Libyans build the chemical weapons plant, which is located in Rabta, 40 miles south of Tripoli.

The German firm's president, Dr. Jurgen Hippenstiel-Imhausen, has denied any connection to the plant, according to the Times. The paper quoted him as citing the fact that the firm's founder, his wife's grandfather, was half Jewish.

"We would not supply something like this to our enemy," he was quoted as saying.