

**NEW PEACE PLANS IN THE OFFING
AS SHAMIR PREPARES FOR U.S. TRIP**

By David Landau

JERUSALEM, March 27 (JTA) -- Prime Minister Yitzhak Shamir says he will be telling President Bush and U.S. administration officials next week "things I have not said before" regarding possibilities for peace in the Middle East.

In media interviews here connected with the 10th anniversary of the signing of the Israeli-Egyptian peace treaty, the prime minister said he was "working on formulas" he hopes will achieve unanimous Cabinet backing.

At Sunday's weekly Cabinet meeting, however, Shamir did not immediately respond to demands from some Labor ministers for a full-scale foreign policy debate by the Cabinet before the premier's important visit to Washington.

Shamir said he would think over this request. If he concurs, the debate presumably will take place this Sunday.

Among the Laborites pressing for a debate were two who have announced their future candidacies for the leadership of the party: Mordechai Gur, who holds no Cabinet portfolio, and Communications Minister Gad Ya'acobi.

Ya'acobi urged that the Cabinet adopt a resolution before Shamir's trip accepting the principle of giving up land for peace. Shamir, who heads the rival Likud bloc, has vowed repeatedly not to give up "one inch" of the biblical lands of Judea and Samaria.

Turmoil Within Labor Party

Media speculation here this week is focusing on how Shamir will revive the long-dormant autonomy proposal for the Palestinians in the West Bank and Gaza Strip.

Commentators expect the premier to suggest a broader and more generous scheme than that proposed by Israel when the autonomy talks with Egypt were suspended early in 1982. One newspaper Monday predicted that he will urge municipal elections in the territories, but not a referendum covering the entire area.

There are no signs of softening at all in the premier's determination to continue to reject any notion of talks with the Palestine Liberation Organization -- this despite U.S. Secretary of State James Baker's statements on U.S. television Sunday that such talks could not be ruled out.

The prime minister's visit to Washington, meanwhile, has sharply intensified the simmering turmoil within the Labor Party, still smarting from its defeats in the Feb. 28 municipal elections.

Given party leader Shimon Peres' weakened position at the helm of Labor, the widely held wisdom is that he must make a dramatic move upon Shamir's return if he is to shore up his standing within the party and among the Israeli public.

Peres has said he will produce his own peace plan if Shamir comes back empty-handed, as the vice premier plainly expects his Likud rival to do.

Elements of that plan, leaked to the news media, speak of creating some sort of Palestinian entity in the territories. Such a proposal would represent a fundamental break from Labor's

longstanding belief that a permanent solution must be struck with Jordan.

Peres has refused to confirm the leaks. But he has said publicly that Likud obduracy during the previous government led to the effective disappearance of a Jordanian option. Peres tried in vain during that time to persuade Likud to accept the concept of an international conference, with joint Jordanian-Palestinian representation.

Rabin Against Ending Government

By holding out the prospect of a Peres plan soon, the vice premier and his aides are in effect foreshadowing the dissolution of the present unity government, analysts say.

Some Labor officials would relish such a scenario. Party doves, led by former Secretary-General Uzi Baram, opposed the reconstitution of the unity government under Shamir, with Likud's Moshe Arens as foreign minister.

A Cabinet crisis, moreover, would presumably galvanize the party around its present leader, thereby staving off the challenges to Peres' leadership, his aides reason.

It is perhaps for those same reasons that some key figures in the party, most notable among them Defense Minister Yitzhak Rabin, are becoming less and less enthusiastic over this scenario.

Rabin let it be known this past weekend that he regards the leaked elements of the purported Peres plan as an unacceptable deviation from party policy as endorsed by the last party convention.

Rabin maintains that his own plan -- for elections in the territories of representatives who can enter into negotiations with Israel -- is both within the parameters of Labor doctrine and within the agreed gambit of the unity government's policy guidelines.

Rabin and Labor hawks are anxious not to split the unity government at this time.

Their efforts are focused on persuading Shamir and Arens to endorse the idea of leadership elections for the Palestinians as the cornerstone of a program that would hopefully pacify or at least moderate the intifada, and open the way to negotiations for at least an interim settlement.

In the Peres camp, however, the prevailing view is that things have gone too far by now to hope that local elections can somehow drive a wedge between indigenous Palestinians and the PLO leadership abroad.

**4-YEAR-OLD PALESTINIAN KILLED
AS ARABS GEAR UP FOR LAND DAY**

By Gil Sedan

JERUSALEM, March 27 (JTA) -- As Palestinians rolled up their sleeves in preparation for Land Day activities Thursday, a 4-year-old lost his life near Jenin, the latest victim of the ongoing uprising in the territories.

The incident, in the small village of Beit Kad, occurred as a general strike virtually shut down the entire West Bank and Gaza Strip.

The boy was shot in his chest by a policeman, who came "under a stone-throwing attack, and was forced to use his weapon," according to the army spokesperson.

The boy, identified as Amjad Ahmad Hassan, arrived dead at Jenin Hospital, bringing to 412 the number of Palestinians killed during the uprising.

At least six others were wounded Monday in other clashes between the army and Palestinians, and as many as 11, according to Palestinian counts.

Arabs in both Israel and the administered territories were getting ready for Land Day events, commemorating the 13th anniversary of the day in which Israel's Arabs first organized a strike protesting the government's policy toward the Arab population.

Indeed, as leaders of Israel's Arabs urged the local population to maintain law and order, despite the general strike called for Thursday, leaders of the uprising in the territories issued another leaflet Monday, calling for stepped-up attacks on Israelis.

"Escalate all kinds of uprising struggle, from knives, axes and firebombs to throwing large rocks from rooftops," the leaflet urged.

REPORT FROM THE TERRITORIES: GAZA IS UP IN FLAMES AGAIN AS POWER OF DESPAIR TAKES OVER By Gil Sedan

GAZA, March 27 (JTA) -- We knew they were waiting for us, and yet we were surprised. One of the least pleasant surprises since the beginning of the intifada.

There were four cars. Four teams of journalists, driving cars bearing yellow Israeli license plates through Saladin Street, the main approach to Gaza.

It is a wide four-lane road leading from the outskirts of the Palestinian city, through the town, then further south into the Gaza Strip.

We were driving behind a local car, bearing the local blue license plate, assuming that it would protect us from stone-throwers.

But then the local car pulled to a side street, and we were alone -- four Israeli cars in a totally empty street, with the stores and the garages on both sides of the road closed for a general strike.

We saw it coming. Up three cars ahead of us, gangs of youngsters popped out of the side streets and attacked the cars with a barrage of stones.

Both sides of the road were virtually packed with stone-throwers -- a pre-planned ambush. Never had I seen anything like this in my many visits to the administered territories.

There was no way to turn back. Had we tried to turn around, we would have been sitting ducks for the stone-throwers. There was only one way: to try to get past the attackers, and pray that the reinforced car windows would sustain the pounding stones.

They did not. The side windows of two cars were smashed to pieces. A rock missed the head of a TV photographer, and only because he was holding the camera on his shoulder.

Killings Trigger Riots

Gaza is up in flames once again, as in the early days of the intifada. For much of the last week, there have been riots of an intensity not seen since the Palestinian uprising began more than 15 months ago.

"But this is a false impression," says Brig. Zvi, Israel Defense Force commander of the Gaza

region. "The tension is merely a fact of an unfortunate event."

The riots began after a clash between soldiers and local residents on March 18. The confrontation claimed the lives of three residents of Gaza's Sheikh Radwan neighborhood. A brother of one of those killed was himself slain in a clash with Israeli soldiers several weeks before.

Last Tuesday, a third brother came charging at an IDF patrol, holding an ax in his hand. The soldiers, acting in self-defense, according to their testimonies, fired at the attacker, wounding him slightly in the arm.

The original incident in Sheikh Radwan was unfortunate because of the relatively high number of casualties (10 wounded) and rumors -- strongly denied by the army -- that the soldiers chased rioters into a local mosque, offending Moslem sensibilities.

Sheikh Radwan, a relatively modern area with some 17,000 inhabitants, looked like a battleground last Tuesday.

Despite the curfew imposed on the neighborhood, large crowds took to the streets, throwing stones, bottles, iron bars and whatever heavy objects they could find at Israeli patrols.

Checking Rage With Curfews

They did not seem to be afraid of anything. Said one veteran Israeli journalist: "This is the power of despair."

"A few months ago, when Yasir Arafat declared the Palestinian state, they thought a state was just around the corner. Now even Palestinian leaders are talking of a state in terms of years. They simply cannot wait any longer for us to leave."

But the Israelis show no signs of leaving. A few border police and military jeeps restored quiet in Sheikh Radwan last Tuesday. The sight of jeeps storming down the sandy roads and a few shots of tear gas did the job.

The inhabitants returned to their homes eyeing with hatred the passing Israeli cars. A fourth day of curfew and of uncontrolled rage had passed.

Two other Gaza neighborhoods were under curfew last week, as were all of the refugee camps in the Gaza Strip. The army regards the curfew as the most effective means of calming down the area.

But the entire town looked abandoned, as Palestinians observed an ongoing strike protesting the recent killings. Within a matter of a week, Gaza had turned from an area of relative calm to a renewed trouble spot.

ISRAELI UNEMPLOYMENT UP SHARPLY By Hugh Orgel

TEL AVIV, March 27 (JTA) -- Israel's unemployment rate rose sharply over the first two months of this year, reaching a two-and-a-half year high of around 8 percent of the work force.

The last time unemployment peaked at this level was in June 1986.

The number of people claiming unemployment benefits, seasonally adjusted, reached 33,000 on average for the first two months of 1989, up from the 32,400 monthly average for the last quarter of 1988.

The Central Bureau of Statistics reported Sunday that industrial output dropped by 3 percent in 1988, while the number of workers employed in industry fell by 10,000 or 3.5 percent.

IDF RUNNING \$330 MILLION DEFICIT DUE TO HIGH COST OF THE UPRISING

By Hugh Orgel

TEL AVIV, March 27 (JTA) -- The Israel Defense Force has accumulated a deficit of 580 million shekels (nearly \$330 million) as a result of expenses related to controlling the Palestinian uprising in the administered territories, according to the Israeli daily newspaper Ha'aretz.

Quoting senior military sources, the paper reports that a considerable percentage of the funds earmarked for developing alternatives to the costly Lavi fighter plane are being used to cover day-to-day expenses.

The IDF will discuss the budgetary problems in a long-range plan to be presented to Defense Minister Yitzhak Rabin in early April, the paper said.

Contrary to the IDF's expectations, the Finance Ministry has not reimbursed the IDF for expenditures related to the uprising. Some 80 million shekels (\$45 million) appropriated for the IDF this year will not be transferred until next year.

According to the sources, the deficit is similar in magnitude to the sum designated by the long-range plan to cover the purchase, through 1992, of two diesel-powered submarines from West Germany.

The plan to order the submarines from West German shipyards was put on hold by the chief of staff last month. But the delay is now being reconsidered at Rabin's express orders, following complaints by the Israeli navy.

The two Dolphin-class submarines will cost approximately \$450 million to produce. The decision to purchase them was made more than a year ago, after nearly 10 years of discussion of IDF procurement plans.

The navy is also due to get three new Saar V-class missile boats, to be built in the United States. There are no shipyards in the United States building conventional submarines.

The Israeli navy is thought to have three British Vickers 206 submarines that are at least a decade old.

PIANO COMPETITION IN ISRAEL DRAWS MUSICIANS FROM 22 NATIONS

By Hugh Orgel

TEL AVIV, March 27 (JTA) -- Fifty pianists from 22 countries, including six Israelis, have gathered in Israel for the start of the sixth Artur Rubinstein international piano masters competition, regarded as one of the most prestigious piano competitions in the world.

Of the 160 applicants who applied this year, 136 met the strict criteria for the selection: past musical experience, previous awards and enthusiastic recommendations. From them, 50 contestants were chosen.

They are competing for a gold medal and \$10,000 in first-prize money, as well as guaranteed appearances with leading world orchestras and recording contracts.

Established in 1973, the international competition, named in honor and now memory of the late maestro Artur Rubinstein, aims to encourage young talent. It is open to pianists of all nationalities between the ages of 18 and 32, and is held in Israel every two or three years.

The prize winner will perform at a concert with the Israel Philharmonic on April 12.

GROUPS SAY INCIDENT AT THE WALL SHOWS NEED TO PROMOTE PLURALISM

By Andrew Silow Carroll

NEW YORK, March 27 (JTA) -- An attack last week by ultra-Orthodox men on a women's prayer group at the Western Wall in Jerusalem has angered some American Jewish groups and convinced them of the need to promote religious pluralism in Israel.

The American Jewish Congress Commission for Women's Equality issued a statement Wednesday calling on Israeli authorities to "protect the rights of women who seek to pray at the Western Wall and to uphold fundamental principles of equality and religious freedom."

The statement was issued by Judith Stern Peck and Bella Abzug, co-chairs of the commission's advisory committee, on behalf of "AJCongress and its international network of Jewish feminists."

Ira Silverman, executive vice president of the American Jewish Committee, said in a statement that his organization "condemns unequivocally the violent and unwarranted attack."

He said the incident "underscores the ongoing need to promote a strong measure of religious respect from the ultra-right."

"Let us maintain our respect for one another and refuse to allow differences of opinion over points of Jewish law from becoming acts of religious bigotry," said Silverman.

Mark Gold, president of Americans for Progressive Israel, called the incident "evidence of an escalation and intensification of religious coercion and the lengths to which the ultra-Orthodox will go to impose their views and practices on others."

Condemnation From Orthodox

The incident occurred on March 30 when ultra-Orthodox men tried to prevent some 60 women from holding a prayer service at the Western Wall, Judaism's holiest site. Police lobbed tear gas to disperse the protesters, who had begun to hurl metal chairs at the women, injuring one of them.

Although accounts of the incident vary, the women were said to have eschewed the carrying of a Torah or the donning of prayer shawls, at the request of Rabbi Meir Yehuda Getz, the Religious Affairs Ministry official in charge of the Wall. The ultra-Orthodox consider both acts to be defilement when performed by women.

Gold, whose organization supports Mapam, the United Workers Party of Israel, said there is nothing in Jewish law that forbids women to pray together at the Wall. He urged the government to remove any rulings preventing them from doing so.

An American Orthodox leader also condemned the incident this week. Rabbi Binyamin Walfish, executive vice president of the Rabbinical Council of America, said in a telephone interview, "We are against any kind of violent activity or protest whatsoever."

Walfish said that he understood that Getz had given the women permission to hold their prayer service at the Wall, a ruling the ultra-Orthodox protesters should have acknowledged.

"If they must protest -- and in a democracy that is the right of every human being, whether he is right or wrong -- there is a proper way to protest. Let them carry signs, but to throw chairs is disgraceful."

VISITORS TO AUSCHWITZ CONVENT SAY NUNS ARE NOT ABOUT TO LEAVE

By Susan Birnbaum

NEW YORK, March 27 (JTA) -- Two delegations that visited the Carmelite convent at Auschwitz recently saw a newly erected 23-foot-high cross there and say it appears that the nuns are not planning to leave, despite assurances from Catholic officials to the contrary.

A French-Belgian delegation that included a Catholic priest was stopped from entering the convent last week, and a petition from the group asking the nuns to leave was rejected.

The 10 or so nuns living in the convent have not moved, despite an agreement signed by Catholic officials in Geneva two years ago that pledged the convent would be relocated by Feb. 22, 1989.

The failure to make good on that promise has soured Catholic-Jewish relations worldwide. The presence of the convent on the site where more than 2 million Jews were murdered is deeply offensive to Jews, especially Holocaust survivors.

But it has also angered many Christians. A Belgian priest, Abbe Bernard, accompanied two officials of the French Section of the World Jewish Congress on a visit to the convent last week.

They brought with them a petition, signed by 800 Belgian Catholics, asking for the removal of the convent from the Auschwitz site.

"The nuns rejected the petition, and after 15 minutes of discussion refused the delegation to enter the convent," the group reported to WJC headquarters here.

The group also said that the convent building has been "totally reconstructed" and that a recently established, 23-foot-high Christian cross "symbolizes that the place belongs to the Catholics."

Making the visit were Gilberte Djian and Serge Cwejenbaum, chairwoman and secretary-general, respectively, of WJC's French Section.

'Massive Cross' Erected

Similar findings were reported by a B'nai Brith Canada delegation that recently returned from Poland.

Frank Dimant, executive vice president of B'nai Brith Canada, who led the group of 16, described the new crucifix as "a massive cross, just towering alongside the convent."

"Since we had some survivors in our mission, it was very difficult for them to understand and to witness this," he said in a telephone call from Jerusalem last week.

Dimant also said his group "didn't see signs" the convent was being abandoned. "It is well-kept," he said.

The group met with Polish government officials to discuss the convent and also the prosecution of Nazi war criminals residing in Canada.

The group included Dimant; Moishe Smith, president-elect of B'nai Brith Canada; and R. Lou Ronson, vice president of B'nai Brith International. They met with Acting Foreign Minister Jan Majewski and Wladyslaw Loranc, director of the Office for Religious Denominational Affairs.

On the thorny issue of the convent, Ronson told Loranc that the convent's location at Auschwitz "is most painful to the world Jewish community." He asked government help to "expedite an early resolution to this problem."

In response, said Dimant, "the Polish officials indicated to us that they were looking for a solution to the problem, although they were not a party to the agreement made in Geneva. They nevertheless would like to see that agreement implemented."

Problem Rests With Cardinal

From those talks, Dimant said, he had the sense that the power to resolve the problem rests with Cardinal Franciszek Macharski of Krakow.

Macharski, one of the signatories to the 1987 agreement to remove the convent, wrote that construction of an alternative center for "information, education, meeting and prayer" had "entered the final phase of its implementation."

As Dimant understands it, "it's a question now of the cardinal's agreeing to one of the three alternative sites proposed, and apparently the decision to agree on the site by the cardinal is not moving as expeditiously as it should be."

"The impression that we were left with is that absolutely no work has begun on that alternate convent, since it has not been selected," he said.

During its visit, the B'nai Brith Canada group was stunned and frightened to turn a corner at Auschwitz and come upon men and women dressed in the garb of prisoners and SS officials.

They had unwittingly encountered Arnold Kopelson's filming of the story of a Jewish boxer from Salonika.

"It penetrated our very souls to see that," especially when actors told them the uniforms were originals, Dimant said.

The Canadian group also visited the Majdanek and Treblinka concentration camps. It was Dimant's first trip to Poland, and the visit to the camps left a deep impression on him.

"I want to stress that we intensify our programs of bringing people to the camp sites," he said. "No amount of literature, no amount of photographs can substitute walking into the torture chamber of Auschwitz."

WOMAN WHO HID CHILDREN IN IZIEU RECEIVES FRENCH LEGION OF HONOR

PARIS, March 27 (JTA) -- The Jewish woman who created a safe house for Jewish children at Izieu, France, has received the prestigious "Legion of Honor" decoration from President Francois Mitterrand.

Sabina Zlatin, a Polish Jew who found refuge in France right before World War II, is the only survivor of Izieu, whose 44 children were eventually sent to Auschwitz by Lyon Gestapo officer Klaus Barbie.

Zlatin, now 82, created the home at Izieu where she hid Jewish children when the Nazis occupied France.

On April 6, 1944, Barbie ordered German soldiers to arrest all of the 44 children, who were between the ages of 5 and 17.

They were all deported to Drancy, a way station to Auschwitz on the outskirts of Paris. Testimony about the deportations was used in 1987 to convict Barbie of a range of war crimes charges. He was sentenced to life imprisonment.

In his presentation of the honor, Mitterrand encouraged Zlatin to continue in her effort to make the house at Izieu a memorial museum for the children, so that "the memory of such a great drama would be kept."