

BRUTAL KILLING OF SETTLER IN ARIEL INFURIATES JEWS LIVING IN WEST BANK

By Gil Sedan

JERUSALEM, June 19 (JTA) -- The murder of an American immigrant who lived in the West Bank town of Ariel has touched off a furor among Jewish settlers.

Dozens of them demonstrated Monday outside the Prime Minister's Office, demanding tougher measures to suppress the Palestinian uprising.

The victim, Steven Rosenfeld, 48, formerly of Washington, D.C., was a computer expert. He rented an apartment in Ariel and enjoyed hiking in the vicinity each Saturday.

He was found stabbed to death Sunday evening in a deserted area between the Arab villages of Burkin and Salfit. The Arab residents of the area who found the body notified the Israel Defense Force.

An empty holster and a pair of binoculars were found on the body. Rosenfeld was armed, and it is assumed his assailant snatched his pistol.

Security forces clamped curfews on both villages, sealed off the area and commenced a manhunt. They arrested 30 suspects, but the search for the killer continued Monday.

As soon as news of the murder spread, hundreds of Jewish settlers in the territory formed motorcades and drove into Israel proper.

They demonstrated at the Morasha intersection, outside Tel Aviv, and at the Tel Aviv residence of Defense Minister Yitzhak Rabin.

Sharon Takes Up Settlers' Cause

Industry and Trade Minister Ariel Sharon took up the settlers' grievances, apparently intending to use them as a weapon against the peace plan advanced by Prime Minister Yitzhak Shamir.

He said Rosenfeld's murder was further proof that peace initiatives had to wait until the Palestinian uprising is crushed.

The Council of Jewish Settlements met Monday to discuss the situation. Its secretary, Uri Ariel, railed against the government, the justice minister and the attorney general for being soft on Palestinian troublemakers.

He charged that the government failed to bring leaders of the uprising to trial, although there was allegedly ample evidence.

Ariel was referring apparently to Dr. Sari Nusseibeh, a Palestinian writer and philosopher accused by the Israeli authorities last week of association with the Palestine Liberation Organization.

His East Jerusalem press office was ordered closed for two years. But no action was taken against Nusseibeh, whom many Israelis consider to be a moderate.

The National Religious Party's Knesset faction insisted the best answer to Palestinian violence is to accelerate the construction of the planned settlement of Bruchin, near the scene of the crime.

Rosenfeld will be buried Tuesday. Prime Minister Shamir will attend the funeral.

The victim was born in the Bronx, but lived most of his life in Washington. He has a brother, William Rosenfeld, who lives in Dover, Del.

FRIENDS OF ISRAEL LOSE STRENGTH IN EUROPEAN PARLIAMENT ELECTIONS

By Edwin Eytan

PARIS, June 19 (JTA) -- Pink and green, with a swath of black, was how one commentator here described the complexion of the European Parliament after Sunday's elections.

Socialists, environmentalists and smaller leftist parties captured a working majority of 270 seats in the 518-member parliament, which sits in Strasbourg, France, as the European Community's legislative body.

The same bloc had 233 seats in the outgoing parliament.

Extreme right-wing parties in France and West Germany made unexpectedly strong showings in the elections, which are held every five years.

The overall outcome was disturbing to supporters of Israel.

The Socialists and Greens, who will comprise the largest bloc, have been consistently sympathetic to the Palestinian cause.

The center-right coalition they displaced was basically pro-Israel, despite reservations many of their deputies have about Israel's handling of the Palestinian uprising.

Avi Primor, Israel's ambassador to Belgium and liaison with the Brussels-based European Community, did not conceal his disappointment with the results.

"We will need to put in more energy and work, more imagination and good will, if we are to preserve our formerly cordial relations with the new chamber," he told the Jewish Telegraphic Agency on Monday.

Some of Israel's staunchest friends suffered devastating setbacks.

Le Pen Wins Big

One of the best known, Simone Veil of France, an Auschwitz survivor, headed a conservative, center-right bloc. It garnered only 8.41 percent of the vote, well short of the 10 percent she had said was "the minimum needed to make her party credible."

Veil, a former president of the European Parliament, will have considerably less influence than she wielded in the past.

British Conservatives, who generally back Israel, also lost influence. Their representation was reduced from 45 to 31 seats.

In addition, Lord Henry Plumb of Britain, a good friend of Israel, did not seek re-election as president of the parliament. He will probably be replaced by a Spanish Socialist, whose party remains highly critical of Israel's policies.

In Italy, the Social Democrats, friendlier to Israel than the Socialists, lost votes, while Bettino Craxi's Socialist Party gained about 5 percent over its 1984 showing.

In Belgium, veteran Minister Jean Goll, who is Jewish and a close friend of Israel, suffered a personal defeat. His small party of French-speaking liberals lost one of its three seats.

And the Vlaams Bloc, a fledgling extremist party of anti-immigrant Flemish nationalists, won a surprising 6.6 percent of the vote, up from 4.5 percent in 1984. The right-wing, which made particularly strong showings in Antwerp and

Brussels, will now get to send one deputy to Strasbourg.

According to computer projections based on early results, Jean-Marie Le Pen's extreme right-wing National Front emerged from the elections the third largest French party in the European Parliament.

Although Le Pen denies he is anti-Semitic, he has publicly denigrated the Holocaust. His party campaigns on a platform of ultranationalism and xenophobia, currently directed against Arab immigrants from Algeria.

The National Front won 11.73 percent of the vote and will have 10 deputies at the Strasbourg assembly, following the Socialists, with 23.61 percent and 22 deputies.

The center-right coalition headed by former President Valéry Giscard d'Estaing, is the largest French party. It won 28.86 percent of the vote and will have 26 seats. The ecologist Green Party won 10.59 percent.

Republicans Also Do Well

The most disturbing election result was in West Germany, where the Republican Party, headed by a former Waffen SS man, Franz Schoenhuber, surged into fourth place among German parties, with 7.1 percent of the vote. (See related story from Bonn.)

The Republicans, who did not exist when the last European Parliament was elected in 1984, will have six seats at Strasbourg.

The parliament dates from 1952, when the European Coal and Steel Community was founded. In 1979, its members first stood for election. Previously, they had been appointed by their respective national parliaments.

The European Parliament thereby gained political stature. The European Single Act in 1987 gave it a much more forceful role in E.C. affairs and enhanced its prestige.

Although real political power still resides with the Council of Ministers of the 12-nation community, the European Parliament may approve or reject any agreement with a foreign country.

The parliament also ratifies the admission of new states to the European Community, has the right to dismiss E.C. commissioners and must approve the budget and detailed spending.

West Germany, Britain, France and Italy each send 81 deputies to Strasbourg. Spain sends 60; the Netherlands, 25; Belgium, Greece and Portugal, 24 each; Denmark, 16; Ireland, 15; and Luxembourg, six.

Most deputies align themselves with political parties or blocs that reflect the political composition of the parliaments in their home countries.

ARENS, IN GERMANY, EXPRESSES SHOCK AT STRONG SHOWING OF EXTREMIST PARTY By David Kantor

BONN, June 19 (JTA) -- Israeli Foreign Minister Moshe Arens, here on an official visit, expressed shock and dismay Monday over the exceptionally strong showing of the right-wing extremist Republican Party in Sunday's elections to the Parliament of Europe.

The Republicans, headed by a former member of the Waffen SS, Franz Schoenhuber, won 7.1 percent of the popular vote in the nationwide elections. They will probably have six seats in the Strasbourg-based parliament, which is the legislative body of the 12-nation European Community.

But in the opinion of observers of many

political persuasions, a party of that ilk has no place in a democratic forum.

"We would have liked to think that such results were impossible in post-war Germany," Arens told reporters. "It was a big disappointment for us."

Schoenhuber ran on an anti-foreigner ticket. He clashed frequently with Jewish activists who challenged his views.

The West German authorities, meanwhile, continued to debate whether his party should be placed under surveillance by internal security agencies.

The Republicans were founded in Bavaria in 1984, the year of the last European parliamentary elections. They won 3 percent of the popular vote in the Bavarian state elections that year.

The party was considered inconsequential, overshadowed by other ultranationalist factions with racist, xenophobic messages.

But when it won 7.5 percent of the popular vote in the West Berlin municipal elections in January, the country and much of Europe took notice.

The gains made by the Republicans were raised at two meetings Arens had Monday. One was with the president of the Federal Republic, Richard von Weizsacker, a staunch anti-Nazi who has been a target of scurrilous personal attacks by Schoenhuber.

Overshadows Peace Plan

Arens also met with Hans-Jochen Vogel, leader of the opposition Social Democratic Party.

The issue was discussed further at a meeting Arens had with members of the Bundestag Foreign Affairs and Security Committee.

They told the Israeli minister they were very much concerned by the Republicans' success. They assured him that the country was firmly under the control of the moderate, democratic parties.

The Bundestag members also vowed to combat right-wing extremism.

The Republican gains Sunday were particularly striking in Bavaria and Baden-Wurtemberg, both heavily Catholic states in southern Germany. In parts of Bavaria, Schoenhuber won as much as 15 percent of the popular vote.

There will probably be a concerted effort by the mainstream parties to stop him in the next general elections, slated for the autumn of 1990.

The European elections almost overshadowed the purpose of Arens' visit, which was to win support for the Israeli peace plan, which calls, among other things, for Palestinian elections in the West Bank and Gaza Strip.

But the West German Foreign Ministry declared Monday that Bonn stands by its view that an international peace conference on the Middle East is the best way to make progress.

That statement indicated that the three-hour meeting Arens held Sunday with Foreign Minister Hans-Dietrich Genscher was of little avail.

The 12 European Community heads of state are expected to issue a new declaration on the Middle East at their summit conference in Madrid next week. Israel hopes it will at least partially endorse the Israeli peace initiative.

At his meeting with Vogel, Arens criticized the recent SPD decision to invite a high-ranking official of the Palestine Liberation Organization to attend an SPD conference in October.

Vogel was unimpressed. He maintained that the PLO has changed and that his party's gesture is in Israel's interests.

ARAFAT REJECTS ELECTIONS PLAN IN STATEMENT TO U.N. SYMPOSIUM

By Andrew Silow Carroll

UNITED NATIONS, June 19 (JTA) -- Yasir Arafat said in a statement Monday that he "categorically rejects" Israel's plan for Palestinian elections, calling the plan a "fake political project."

The Palestine Liberation Organization "categorically rejects this fake plan, which is inimicable to its high aspirations," the PLO leader said in a statement read here by Zehdi Terzi, the PLO's delegate to the United Nations.

Israel has called for elections in the administered territories to allow Palestinians to choose representatives to negotiate with Israel.

But Arafat said the PLO would only consider elections "following withdrawal of the occupying forces, under international supervision, from Palestinian lands" and the holding of an international peace conference under the aegis of the United Nations.

This appeared to be a somewhat harder line than PLO representatives have taken in recent weeks. Previous statements have indicated that the PLO would consider the Israeli plan if troops were withdrawn from the territories and the elections were conducted under international supervision.

While the PLO has long favored an international peace conference, it was not previously a condition for agreeing to the elections plan.

Arafat's remarks were read at the opening of five days of meetings sponsored by the Committee on the Exercise of the Inalienable Rights of the Palestinian People.

The 23-nation committee, which operates with an \$87,000 U.N. allocation, planned the meetings for the purpose of "mobilizing concern and support" for the Palestinian cause.

Workshops at the meetings will focus on implementing "action-oriented strategies" for North America, including speaking tours, ballot initiatives and state party platform proposals.

Jochanan Bein, acting Israeli ambassador to the United Nations, called the meetings "anti-Israel activity, not meant to foster understanding."

LABORITE BECOMES SECOND MINISTER TO CONSIDER TALKS WITH THE PLO

By Hugh Orgel

TEL AVIV, June 19 (JTA) -- Declaring that the biggest danger to peace is "100 percentism" on both sides, Energy Minister Moshe Shahal said Sunday that he is willing to negotiate under certain conditions with members of the Palestine Liberation Organization.

He thereby became the second Cabinet minister to support talks with the PLO, which the national unity coalition agreement specifically rules out.

The only other minister to take that position publicly is Ezer Weizman, the minister of science and development, who, like Shahal, is a member of the Labor Party.

Shahal spoke Sunday night at the opening of a convention of the International Society of Political Psychology at Tel Aviv University.

He said he would be prepared to negotiate with any Palestinians, including PLO members, under certain conditions.

They are recognition of Israel's right to exist, acceptance of U.N. Security Council Resolu-

tions 242 and 338; and rejection of terrorism and violence.

Shahal said he also would insist that the potential negotiators promise there will be no future demands, such as for a Palestinian right of return after peace is achieved.

U.S. REJECTS AUSTRIAN REQUEST TO LIFT WALDHEIM FROM WATCH LIST

By Susan Birnbaum

NEW YORK, June 19 (JTA) -- The U.S. State Department has rejected a request from the Austrian Foreign Ministry to remove President Kurt Waldheim's name from the "watch list" of persons barred from entering the United States, a State Department official said last week.

The Austrian ambassador to Washington, Friedrich Hoess, was instructed to request Waldheim's removal from the watch list, which bars those suspected of persecuting people on racial or religious grounds from entering the United States.

The diplomatic note was sent to the State Department in early June. The State Department official said there had been "no change" in the U.S. position.

An Austrian Embassy spokesperson originally would not comment on the report of the request, which originated in Vienna. Later, the embassy confirmed it had sent a note to the State Department affirming its belief that Waldheim's name on the watch list contravenes international law.

Waldheim was placed on the watch list in April 1987, following a year of disclosures about his activities during World War II, which he had concealed during the decade he served as secretary-general of the United Nations.

During the war, Waldheim was a lieutenant and intelligence officer in the Wehrmacht, or regular German army, serving in the Balkans, where reprisal killings and deportations were carried out against Jews and partisans.

A file found in 1986 in the United Nations War Crimes Archives lists Waldheim as wanted for murder and says he should stand trial for murder and putting hostages to death.

The order to bar Waldheim was placed jointly by the State and Justice departments.

Neal Sher, director of the Justice Department's Office of Special Investigations, said, "The passage of time does not have any effect on the legitimacy and importance of this decision."

IDF DISPUTES REPORTS PLANES HIT KINDERGARTEN IN SOUTH LEBANON

By Hugh Orgel

TEL AVIV, June 19 (JTA) -- The Israeli Defense Force denied Monday that its June 16 air raid on terrorist bases in southern Lebanon resulted in casualties to children.

The IDF spokesman called the reported eyewitness accounts a "fake." They were carried by the French news agency, Agence France-Presse.

According to the claimed eyewitnesses, the Israeli air force planes hit a kindergarten building in the Rashidiya refugee camp, near Tyre, injuring two children.

The IDF insisted that every building hit was a legitimate target and that all of them lay outside the Rashidiya camp.

The targets of the air attack were bases of George Habash's Popular Front for the Liberation of Palestine and of the Abu Nidal terrorist group.

AEROFLOT AGREES IN PRINCIPLE TO DIRECT FLIGHTS TO ISRAEL

By Hugh Orgel

TEL AVIV, June 19 (JTA) -- Aeroflot has agreed in principle to operate direct air service from the Soviet Union to Israel.

The Soviet airline advised El Al Israel Airlines that it has agreed to the flights, subject to approval on the political level. Aeroflot and El Al are the national airlines of their respective countries.

If the agreement goes through, the first stage apparently would be charter flights from Moscow to Ben-Gurion Airport, near Tel Aviv.

Israel has been seeking for years to channel Jews who leave the Soviet Union with Israeli visas directly to Israel. But there has been no direct air link since the Soviets severed diplomatic relations with Israel in 1967.

Moscow-Tel Aviv flights could eliminate the transit stopover in Vienna, where about 90 percent of the emigres opt to settle in the United States or other Western countries instead of Israel.

The Israelis call them "drop-outs" and hope direct flights will reduce the phenomenon.

RARE HAGGADAH SAVED FROM AUCTION UNTIL OWNERSHIP ISSUE IS RESOLVED

By Tamar Levy

GENEVA, June 19 (JTA) -- The Wolf Haggadah, a valuable, 14th-century manuscript whose ownership is contested by parties from at least three nations, now has a temporary home in the vault of a Swiss courthouse.

The Haggadah, which is valued at about \$500,000, had been scheduled to go on sale Monday night at the Habsburg Feldman auction house here.

But a Geneva judge ruled Monday that the rare manuscript could not be auctioned until its current ownership is ascertained. Judge Vladimir Stemberger said he would examine the competing claims and rule on the matter in a month's time.

Stemberger said that four parties have laid claim to the Haggadah ownership: the Jewish communities of both East and West Berlin, Polish authorities acting on behalf of Warsaw's Jewish Historical Institute, as well as a private individual the judge declined to name.

Court officials, however, revealed that the anonymous claimant is a resident of New York. The individual told the court the Haggadah was purchased after a thorough check that its previous owner was entitled to sell it.

Stemberger also ruled that, "because of the manuscript's artistic and historic importance," it would go on display Monday night during the Judaica auction at which it was to have been sold.

Art collectors and historians from over a dozen countries have gathered in Geneva for the occasion. Many wanted a chance to at least view the Haggadah.

"I didn't want to disappoint them," Stemberger told the Jewish Telegraphic Agency.

The illustrated and illuminated medieval Haggadah belonged to the Berlin Jewish community before World War II. After the war, the manuscript appeared in the Jewish Historical Institute in Warsaw. The Haggadah disappeared from the Warsaw museum in 1987, and Judaica scholars say it was stolen.

ADL REPORTS ON GROWING THREAT OF SKINHEADS AND REVISIONISTS

NEW YORK, June 19 (JTA) -- The Skinhead movement is taking its recruitment efforts from the streets to the schools, and the weapons in the hands of young Skinheads are becoming more deadly.

A new report conducted by the Anti-Defamation League of B'nai B'rith chronicles the growth in the number of neo-Nazi Skinheads -- young people who shave their heads, wear Nazi insignia, and spread hatred and violence against members of minority groups.

"Skinheads Target the Schools," a 32-page report, was released by ADL over the weekend, along with two other reports, "Holocaust Revisionism: Reinventing the Big Lie" and "Blacklisting Israel: A Current Perspective on the Arab Boycott."

The Skinhead report says that the organization now has 3,000 members in 31 states -- up from 2,000 in 21 states last October. During the past six months, Skinheads have been responsible for vandalism of religious institutions, especially synagogues, as well as numerous assaults on members of minority groups.

In the schools, Skinheads have scrawled racist graffiti on lockers and distributed white supremacist leaflets.

Although the preferred weapons of Skinheads are knives, bats, chains and steel-toed boots, the possession of handguns, shotguns and even semi-automatic weapons is becoming more common.

"The possession of death weapons by volatile youngsters filled with racial and religious hatred warrants the urgent attention of law enforcement officials," the report says.

Arab Boycott Said To Have Weakened

In its report on Holocaust revisionism, the ADL warns that anti-Semitic scholars and others are continuing to deny the reality of Nazi atrocities and are spreading that message on radio talk shows, in speeches to college campuses, and in newspapers, newsletters and videotapes.

"There is a new revisionist trend -- the emergence of historical scholarship on the Holocaust which acknowledges that the Nazi genocide took place, but challenges the well-accepted understanding of the motives behind it," said Abraham Foxman, ADL's national director and a Holocaust survivor.

As examples of this trend, the report points out that some legitimate historians in the United States and Germany have been claiming that the Holocaust was comparable to atrocities by other nations prior to or during World War II and should not be singled out as unique in history.

ADL's report on the Arab boycott against Israel is somewhat more encouraging. It finds that the boycott has weakened in the past decade.

Anti-boycott measures by the United States are credited for this progress. Since the creation of the U.S. Commerce Department's Office of Anti-Boycott Compliance in 1978, more than 300 individuals and firms have been charged with violating anti-boycott regulations.

But the report says that many countries in Western Europe and the Far East, afraid of losing their Arab markets, have been complying with the boycott. The report says that Japan, in particular, has not only caved in to boycott pressure, but avoids trade with Israel in anticipation of boycott requests.