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FOR THIRD WEEK IN ROW. POPE'S REMARKS ANGER JEWSAUG 2 1 1989 By Allison Kaplan

NEW YORK, Aug. 16, (JTA) -- For the third consecutive Wednesday, Popes John Paul II has maletter the Lebanon war, there is a broad consensus raised concern among Jewish religious leaders in Israel not to intervene again in that country's with remarks which cast in doubt the validity of the Jewish covenant with God.

"The time has come for a high-level clarification from the Catholic leadership," said Rabbi A. James Rudin, director of interreligious affairs

for the American Jewish Committee.

Rudin and others are troubled over the remarks made by the pope at his weekly audience, which were similar to remarks he made on Aug. 2 and 9.

In his statements on the origins of Christianity, the pope discussed the "new covenant" with God that the Christians forged and also of "Is-

rael's infidelity to its God."

Some Jewish leaders have interpreted these remarks as implying that the Jewish covenant with God is no longer in place.

Such a reading would conflict directly with Vatican Council II, the 1965 doctrine which modernized the Catholic Church and its attitudes toward Jews.

The new interpretation of the pope's remarks would also contradict statements made by the pope himself in 1980, 1986 and 1987.

Irrevocable Covenant

Speaking at the Rome synagogue in 1986, the pope called the Jewish covenant with God "irrevocable."

Rudin, who is also the current chairman of the International Jewish Committee on Interreligious Consultations, said that the recent controversial remarks can be interpreted as doubting "the validity, the authenticity and the legitimacy of Judaism."

While discussion of the issue may appear esoteric, Rudin said that theological anti-Semitism

can have serious implications.

"Theological teachings are very serious and cannot be dismissed," Rudin said. "It affects people's behavior toward Jews throughout the

world."

Rabbi Leon Klenicki, director of the Anti-Defamation League of B'nai B'rith's Department of Interfaith Affairs and also its representative to the Vatican, said he detected a change in the pope's remarks over the course of the three

Klenicki said that this Wednesday, the pope appeared more "careful" in his wording in his discussion of the two faiths.

In the most recent remarks, Klenicki said, "he's talking about a double covenant, a Jewish covenant and a Christian covenant."

Dr. Eugene Fisher, the secretary for Catholic-Jewish relations for the National Conference of Catholic Bishops, said that Jews have misinterpreted the pope's remarks.

The pope "is affirming positives about Christianity," Fisher said, and has not, in this series of sermons, "even taken up the question of God's continuing relationship with the Jewish people."

LESSON LEARNED FROM LEBANON WAR: ISRAEL WILL NOT INTERFERE IN BEIRUT By Gil Sedan

JERUSALEM, Aug. 16 (JTA) -- Seven years troubles.

Israel has no intention of coming to the aid of its erstwhile Lebanese Christian allies, whose strongholds in Beirut and elsewhere are being battered by a Syrian force of 40,000.

Vice Premier Shimon Peres made that clear Tuesday during a tour of settlements in Galilee. Israel pulled out of Lebanon determined never to return, he said.

He added that the main lesson to be learned from the world's apparent lack of concern for the ongoing bloodshed in Lebanon is that every country has to depend on its own forces.

The embattled Christians in Beirut no longer seek or expect Israeli assistance. They are relying on themselves and on generous supplies of arms and ammunition from Iraq to resist the severe Syrian shelling.

Israel believes it has done its share by alerting the world to the carnage in Lebanon.

Foreign Minister Moshe Arens on Monday telephoned U.S. Deputy Secretary of State Law-rence Eagleburger and the foreign ministers of France, Spain and Italy to express concern over events in Lebanon.

Arens sent a similar message to Cairo through the Egyptian ambassador to Israel, Mohammed Basiouny.

Wafd, the newspaper of the opposition party in Egypt, said this week that the government is more concerned with Israel than with Syrian activity in Lebanon. The Egyptian government sent Israel a clear

message not to intervene in Lebanon, the newspaper mid. It warned of a sharp reaction if the Israc: i. ved.

There was no confirmation of such a message in Jerusalem.

Meanwhile, the Christian leader in Lebanon, Gen. Michel Aoun, expressed confidence that the Syrian forces will be driven out of the country.

But Knesset member Binyamin Ben-Eliezer, a reserve general once actively involved in assisting the Lebanese Christians, believes their confidence is unfounded. If the Syrians want to capture the Christian

enclave they can do it in 48 hours, Ben-Eliezer He said, however, that the purpose of their massive shelling seems to be to bring down Aoun

without seizing his stronghold. ISRAEL BLASTS UNITED NATIONS FOR FAILING TO ACT ON LEBANON

By Allison Kaplan UNITED NATIONS, Aug. 16 (JTA) -- Israel

criticized the Security Council on Wednesday for failing to pass a formal resolution calling for an end to the bloodshed in Beirut.

The Foreign Ministry said it was "regret-table" that the Security Council limited itself only to an "expression of sorrow" by the its

current president, Hucine Djoudi of Algeria.

The Security Council consulted Tuesday evening at the request of Secretary-General Javier Perez de Cuellar, who asked for a "concerted effort" by the Security Council to work toward a cease-fire in Lebanon, where fighting between Christian and Syrian-backed forces has been intense.

The consultation did not result in a formal resolution. Instead, Djoudi's statement "deplored the intensification" of fighting in Lebanon, expressed "great disquiet at the loss of human lives" and called for a cease-fire on the part of "all parties."

"The statement does not even mention Syria by name," said the Foreign Ministry in a statement. "Surely the tragic situation in Lebanon warrants more decisive action by the Security Council."

Barukh Binah, spokesman for the Israeli mission, said the council never hesitates in trying to condemn Israel when there is disapproval of its actions.

According to the Foreign Ministry, fighting in Lebanon has left an estimated 700 dead and over 3,000 wounded since March.

BEHIND THE HEADLINES: PEACE PROCESS APPEARS STALLED AS BOTH SIDES HARDEN POSITIONS By Gil Sedan

JERUSALEM, Aug. 16 (JTA) - The peace process aimed at ending the intifada seems to have foundered in the past week as both Israelis and Palestinians made moves that indicated hardened positions.

These developments have exposed a paradox in Israeli policy in the West Bank and Gaza Strip.

While authorities say they want to build up local Arab leadership that would replace the Palestine Liberation Organization, they have taken actions that seem almost calculated to have the opposite effect.

A case in point last week was the extension of administrative detention from six to 12 months.

That means that Palestinians put under administrative arrest can be jailed for a year without trial or charges brought against them.

The detainees are in large measure the same persons who might constitute a non-PLO leader-ship in the territories.

The offices of the East Jerusalem Arabic daily Al-Fajr were searched Wednesday and the employees interrogated by security forces.

This was seen as a deliberate attempt to harass an institution identified as a PLO supporter.

When a gasoline bomb thrown by unidentified assailants severely burned two Israeli tax collectors driving to work in Ramallah on Monday, the commanding general in the territory, Yitzhak Mordechai, imposed harsh measures against the local population.

Mordechai was sending a clear message to the local population: Regardless of political developments, they would suffer collective punishment.

If past experience is any indication, the Palestinian response will be an escalation of violence.

Indeed, the local leadership of the uprising circulated Leaflet 44 on Tuesday forbidding Palestinians from holding talks with Israelis who do not "support the Palestinian demand for self-determination" -- meaning statchood.

That directive, if obeyed, would put an end to the recent semi-secret, informal talks between influential Palestinians and ranking Israelis, including Prime Minister Yitzhak Shamir.

including Prime Minister Yitzhak Shamir.

In the past, the intifada leadership subjected such talks to approval by the "authorized bod-

ies," meaning the PLO.

The latest directive could mean that the radical elements in the local Palestinian leadership

In that case, the dialogue with Israelis will end and with them the chances of Israel creating an alternative to the PLO.

The next confrontation with the Palestinians is expected Friday. It is the deadline for Arab laborers in the Gaza Strip to get the new magnetized identification cards that will allow them to travel to their jobs in Israel.

The Israeli authorities say every worker must present his card or he will be turned back.

The intifada leadership has ordered the entire Gaza population to stay home. They are not to report to work anywhere for a full week to protest the new restrictions.

These developments on the front lines of the intifada must be viewed against a broader background.

PLO leader Yasir Arafat's mainstream fighting force Al Fatah ended its fifth convention in Tunis last week with a resolve to escalate the armed struggle against Israel and the rejection of Palestinian elections in the West Bank and Gaza Strip.

On the Israeli side, Shamir's Likud party imposed restrictions on the proposed elections that would have severely limited the chances of elections ever taking place.

The Cabinet seems to have gotten around those constraints, however, and the election option still appears viable.

It remains to be seen whether Arafat can circumvent the directives of his hard-liners.

TWO HURT IN OVERTURNED CAR By Gil Sedan

JERUSALEM, Aug. 16 (JTA) -- Two Israeli settlers were injured Wednesday when their car overturned near Halhoul, an Arab town north of Hebron in the West Bank.

The two received medical treatment on the spot.

The settlers, who are from Hebron, said later that the driver lost control of the car when it was pelted with stones.

Other Hebron residents reported that stones were thrown at Israeli cars in the center of town.

BEGIN IN HOSPITAL FOR TESTS By David Landau

JERUSALEM, Aug. 16 (JTA) -- Former Prime Minister Menachem Begin, who last weekend celebrated his 76th birthday, was hospitalized Wednesday after complaining of "general weakness."

Dr. Yonatan Halevi, of Shaare Zedek Hospital, said Begin would remain in the hospital "two or three days" to undergo tests, but that he could "probably" rule out any "serious problem."

Halevi said his patient was ambulatory and in good spirits.

Begin, 76, has been a semi-recluse since he resigned from office in 1983, and since then has rarely been seen in public.

ISRAEL NIXES VISIT BY W. GERMANY'S NEO-NAZI REPUBLICAN PARTY By David Kantor

BONN, Aug. 16 (JTA) -- Israel has made known through diplomatic channels that it would not welcome a visit by the reputedly neo-Nazi

Republican Party.

The Bonn Foreign Ministry conveyed the message to the party's West Berlin branch. It was told that Jerusalem considers the Republican Party's policies too unclear to permit ties with Israel.

Carsten Pagel, the party spokesman in West Berlin, said Friday they were disappointed by the Israeli response. He said the branch had hoped to hold a meeting in Israel some time next month.

The idea reportedly originated with Thorsten Thaler, the West Berlin party leader who asked the Foreign Ministry in Bonn to find out the

Israeli reaction.

The Republican Party, based in Munich, is generally regarded as the most Nazi-like of the extreme right-wing parties in West Germany. It is headed by a former Waffen SS official, Franz Schoenhuber.

The Republicans surprised and alarmed many political observers by winning 8 percent of the popular vote in the recent nationwide elections to the Parliament of Europe.

It scored a similar percentage this past winter in West Berlin elections, winning seats in the municipal legislature for the first time.

Schoenhuber recently angered the Jewish community when he remarked that Jews were "the fifth occupying power in Germany," the first four being the United States, Soviet Union, Britain and France.

He explained that he spoke in connection with the scandal surrounding the late Werner Nachmann, former chairman of West Germany's Jewish community, who was accused posthumously of embezzling about \$12 million of reparations funds earmarked for Jewish Holocaust survivors.

Schoenhuber alleged there was a cover-up of the affair because people are afraid of being called anti-Semitic.

The Jewish community pointed out that on the contrary, an exhaustive investigation was undertaken but failed so far to produce a conclusive report or recover the stolen money.

HOLOCAUST MEMORIAL VANDALIZED; ATTACKS LINKED TO NAZI RALLIES London Jewish Chronicle

LONDON, Aug. 16 (JTA) -- The Holocaust memorial in Hyde Park was desecrated on two consecutive weekends and the Jewish community is angry but taking it in stride.

Two weeks ago, cement was poured on the monument. Last weekend it was splattered with

On both occasions, the vandalism coincided with neo-Nazi demonstrations in North London.

"It is very sad indeed, but this sort of thing happens from time to time," said Hayim Pinner. secretary general of the Board of Deputies of British Jews.

"The police are responsible for security and we are assured that the best is being done to protect the memorial," Pinner added.

The Holocaust monument was established six years ago on the initiative of then president of the Board of Deputies, Greville Janner. A Cabinet secretary represented the government at the inauguration.

The memorial is in the form of a roughly hewn stone on which a quotation from the Book of Lamentations is engraved in Hebrew and English.

NAZI LOSES LIFE SENTENCE APPEAL. BUT POOR HEALTH PRECLUDES JAIL By David Kantor

BONN, Aug. 16 (JTA) -- Nazi war criminal Wilhelm Wagner lost his appeal against a life sentence in the Karlsruhe-based federal court last week, but the 82-year-old pensioner, a former policeman, is not likely to spend time in jail because of his poor health.

During much of World War II, Wagner was a policeman in the Polish town of Wieliczka.

In 1942, when the town's Jewish population was rounded up in the street for deportation, Wagner shot a man who refused to be separated from his family.

A few days later, after some 8,000 Jews were shipped to the Belzec death camp, Wagner killed two elderly Jews hiding in their flat.

During his first trial in 1977, the court found that Wagner was not following orders when he shot the men but acted on his own initiative. The proceedings were suspended in 1980 because of the defendant's illness.

Wagner was found well enough to stand trial last year, though the court sessions were limited

to three hours a day. Wagner draws a pension for his wartime service and for serving after the war on the police force of his hometown, Nuernberg-Fuerth.

COURT RULES W. GERMAN TO TRIAL OVER HIS NAZI ORGANIZATION By David Ka

BONN, Aug. 16 (JTA) -- The Constitutional Court has ruled that neo-Nazi activist Michael Kuehnen must stand trial for running an illegal organization.

The decision, which legal experts say could set a precedent for future cases, concerned the Action Front National Socialist, which Kuehnen continued to run in 1983 although it was banned as an extremist group.

He challenged the ban, and a court in Hamburg ruled last year that he could not be prosecuted as long as a decision on the nature of his group was pending.

The Karlsruhe court, which is the highest in West Germany, overruled the Hamburg decision. It stated that the rights of freedom of organization and expression do not apply to groups that preach opposition to the democratic constitutional system.

But Kuehnen, 34, had better luck in Frankfurt, where the prosecution decided to withdraw charges that he circulated illegal neo-Nazi and

anti-Semitic material last year. The court could not determine whether a racist booklet was written by Kuehnen or was a compendium of writings by Americans and other

friends of the accused.

A proposal to send a delegation to the United States was rejected and the prosecution concluded that the case was not worth the expense of the trial.

Other charges are pending in several jurisdictions against Kuehnen, who once spent five years in jail for neo-Nazi activities.

ISRAEL CITED BY JURISTS' BODY FOR VIOLATING LAWYERS' RIGHTS By Tamar Levy

GENEVA, Aug. 16 (JTA) -- Israel has been cited by the International Commission of Jurists for violating the civil rights of eight Palestinian attorneys who were held in administrative detention last year.

The charge was contained in a report by the Center for the Independence of Judges and Lawyers, which the Geneva-based Commission of Jurists set up to promote an independent judiciary

and legal profession all over the world.

In releasing the report to a U.N. subcommission on human rights, the Center called on the United Nations to monitor the protection of practicing lawyers in various countries. The report said "the administrative detention

of Palestinian lawyers at a time when over 18,000 Palestinians were arrested and detained in a 12month period is a cause for great concern.

It noted that the Israeli authorities brought no specific charges of illegal activity against these lawyers nor did they disclose any evidence against them.

The lawyers, from the West Bank and Gaza Strip, were engaged in a "strike against the military court system in Gaza and legal defense work on behalf of Palestinians accused of security offenses," the report said.

Reed Brody, director of the Center, stressed that the protection of human rights requires that lawyers be free to take all cases, even unpopular ones, without fear of reprisal.

JOBLESS RATE STANDS AT 9.5 PERCENT AS 150,000 ISRAELIS ARE OUT OF JOBS By Gil Sedan

JERUSALEM, Aug. 16 (JTA) -- With 150,000 Israelis out of work, the country's unemployment rate now stands at 9.5 percent, compared with 6 percent a year ago, according to figures released by the Central Bureau of Statistics on Wednesday.

The number of unemployed has increased by 10,000 since the first quarter of the year, while the jobless rate rose a full point in three months, up from 8.5 percent in the second quarter.

This means that one of every 10 Israelis over age 15 is unemployed. For men, it is one out of 12 and for women, one out of nine.

Development towns have been hit the hardest. In Netivot, Or Akiva and Kfar Yona, the

jobless rate has stabilized at 20 percent. The outlook seems bleak countrywide. The number of work orders dropped from 19,200 in

June to 18,500 in July. But Moshe Ze'ev Feldman, the deputy minister in charge of the ministry of labor and wel-

fare, is not worried. He said the rise of unemployment was due to seasonal factors and the rate would fall once they passed.

KOOR'S ECONOMIC RECOVERY PLAN HAS EMPLOYEES WORRIED OVER FUTURE By Hugh Orgel

TEL AVIV, Aug. 16 (JTA) -- The economic recovery program undertaken by the financially troubled Koor Industries has thousands of employees worried.

The giant Histadrut-owned conglomerate is about to divest itself of the money-losing Tadiran electronics division.

of workers fear their pensions and fringe benefits are in icopardy. Tadiran manufactures batteries and electrical and communications equipment in dozens of factories all over the country, but mainly in the

With its future uncertain, Koor's thousands

Tel Aviv area. Koor's board of directors decided Tuesday to authorize managing director Benny Gaon to dis-

pose of Tadiran's assets. Tadiran has a book value of \$200 million. Experts predict that its half-year losses, to be

published shortly, will be "massive." The divestiture will cut the size of Koor in half, but is expected to improve its efficiency and

better its chances for an economic turn-around. The sale of Tadiran is being managed by two New York investment banking firms, Drexel Burnham and Leumi Partners.

TEL AVIV MUSEUM AVOIDS STRIKE; WORKERS UPSET OVER DIRECTOR By Hugh Orgel

TEL AVIV. Aug. 16 (JTA) -- A strike that would have shut down the city-run Tel Aviv Museum was averted Wednesday when employees and management agreed to arbitration.

At the center of the dispute is the museum's director, Marc Sheps. Employees began job actions last week to protest his decision to fire 22 tenured workers as an economy measure.

The employees refused to collect admission fees during the morning hours: Sheps countered by waiving the fees for the entire day.

Visitors were asked to make voluntary donations and, according to management, \$500 a day was collected in the past two days, roughly the equivalent of the admission fees. Sheps has proposed closing some of the

museum's departments. Employees claim his mismanagement is responsible for the financial troubles and have urged Mayor Shlomo Lehat to dismiss the director. But Lehat expressed confidence in the man

he appointed, despite public criticism.

FORMER HOTEL OWNER BANKRUPT By Hugh Orgel

TEL AVIV, Aug. 16 (JTA) -- The business career of Haim Shiff, who once owned the largest hotel chain in Israel, appears to be over as the controversial, 64-year-old entrepreneur was declared bankrupt by the Tel Aviv District Court on Tuesday.

Jerusalem lawyer Uri Ganor, who was appointed receiver for Shiff's Jerusalem properties two years ago, was also named receiver for his interests countrywide.

The former chairman of the Jerusalem and national hotel associations, Shiff began selling off his assets five years ago after running into liquidity problems.

Tuesday's bankruptcy order forbids him to engage in any financial transactions, including the use of a checkbook or bank credit card.

An early member of the Herut party, Shiff was frequently in the news because of his disputes with a variety of authorities and with business rivals.

He outraged the Jerusalem Rabbinate in 1963 by building the city's first hotel with a coed swimming nool