FOUR SHOT TO DEATH IN GAZA STRIP AS UNREST IN TERRITORIES ESCALATES
By Gil Sedan

JERUSALEM, May 16 (JTA) -- A month and a half after the government sealed off the West Bank and Gaza Strip to stem terrorist attacks against Jews in Israel proper, Palestinian gunman have stepped up assaults within the territories.

The latest attack took place Sunday, when Palestinian gunmen in the Gaza Strip shot to death four people: two Israeli vegetable merchants and two Arab vendors.

In an unusual development, the gunmen left leaflets at the scene saying the attack was a joint act by the Islamic fundamentalist Hamas group and an armed cell affiliated with the secular Palestine Liberation Organization.

The incident would mark the first time the two rival organizations have claimed joint responsibility for a killing and may signal a new turn for terrorist operations in the territories.

The attack took place near the settlement of Moshav Gadid in Gush Katif, a bloc of Jewish settlements in the Gaza Strip. The four victims were standing outdoors, apparently discussing a business deal.

Arab witnesses said they saw a white Peugeot car approach the men. The gunmen got out of the car, spraying bullets from automatic weapons at all four victims. Before driving off, they walked over and shot each man in the head to make sure they were dead.

The two murdered Israelis were identified as Nissim Balas, 33, of Dimona and Avshalom Halfon, 21, of Ofakim. The two Palestinians killed were Ziad Abu-Jurab of Hebron and Tawfik Jurab, 19, of Khan Yunis.

Reacting to the slaying, Prime Minister Yitzhak Rabin warned Israelis who are not residents of the West Bank and Gaza Strip to avoid the territories and not to trust Palestinians "even if their intentions are good," since they are unable to protect Israelis from terrorists.

Although Rabin noted that Israelis are not forbidden to enter the territories, he advised: "Don't risk a man's life because of a profit of a few hundred shekels."

People Think 'Nothing Will Happen'

Israeli vegetable merchants continue to come to Gaza to buy produce at cheap prices, despite repeated warnings by the army and increased tension there since the territories were closed.

"Everyone believes that nothing will happen to him," said Nitzan Hadari, an Israeli security officer at the nearby Ganei Tal settlement. "and then it happens."

Another vegetable merchant, Yehezkel Avraham, was murdered at the same place two months ago.

Balas, one of the vegetable dealers murdered in the attack, had been warned several times not to enter the area.

He reportedly was involved in illegally smuggling agricultural produce from the Gaza Strip into Israel proper and was detained several times for his activities. Balas was released from his latest detention last Friday.

Sunday's shooting, the bloodiest attack since the territories were sealed off at the end of March, came on the heels of several other bold and successful attacks in recent days.

Last week, militants stabbed two soldiers inside a building serving as an observation post in downtown Nablus in the West Bank.

Two soldiers were wounded in that attack, one of them suffering serious wounds. The stabbings were followed by a series of daring attacks against army targets in the Gaza Strip.

5 Soldiers Wounded By Grenade

On Saturday, a hand grenade was thrown at an army observation post inside the Shati refugee camp near Gaza, wounding five soldiers, some of them suffering serious wounds.

As in the Nablus attack, the Hamas movement claimed responsibility, saying it was in retaliation for the killing of six wanted Hamas militants who were shot by soldiers last week trying to flee Gaza and cross into Egypt.

There also were violent clashes over the weekend between soldiers and stone-throwing youths. Palestinian sources said a baby and an 11-year-old boy were killed during separate clashes Sunday at two Gaza refugee camps.

The increasing violence within the Gaza Strip and West Bank had been predicted by military and political analysts as an inevitable result of the decision to seal off the territories.

Security experts said the move would create growing political frustration and economic distress, since jobs were lost in Israel proper.

However, they have been surprised that the level of violence did not rise much sooner after the closure was imposed, but only now seems to be materializing.

Aware that they have been heartened by the fact that not one fatal terrorist attack has occurred inside Israel proper since the territories were sealed off.

SETTLERS CLASH WITH SHAS SUPPORTERS OVER RABBI'S BACKING OF PEACE POLICY
By Gil Sedan

JERUSALEM, May 16 (JTA) -- Right-wing settlers clashed over the weekend with fervently Orthodox supporters of Rabbi Ovadia Yosef, the spiritual leader of the Shas party, over the influential rabbi's backing of the Labor-led government's peace policies.

Settlers demonstrating outside of Yosef's home, protesting Shas' participation as a partner of the ruling coalition, were assaulted by hundreds of Yosef's adherents Saturday evening. Two settlers suffered serious wounds.

Ironically, the clash came as Shas was in the midst of a political crisis with Labor and threatened to pull out of the coalition, though over issues unrelated to the peace process.

The settlers, led by Rabbi Menahem Felix, have been staging a sit-in strike for the past four weeks, in protest of the ongoing alliance between Shas and the Labor Party.

Yosef supporters regarded the demonstration as an unacceptable attempt to drag their rabbi into politics, and a personal harassment of their leader.

The weekend clash followed an outburst by
Yosef in front of his followers during the weekly Torah lesson.

The rabbi reportedly burst into tears, complaining that the demonstrating settlers were making life miserable for his family and would not leave him in peace.

The complaint apparently was enough to spur his adherents into settling accounts with the settlers.

Shortly before midnight Saturday, supporters of Yosef showed up at his house, in Jerusalem's prestigious Talbiyeh neighborhood, and physically attacked the demonstrators. Felix and another settler were injured in the face and rushed to the hospital. Yosef's followers then threw furniture into the street and set it afire.

The settlers filed complaints with the police against the attackers, as well as against Yosef himself.

In response, dozens of settlers showed up at Yosef's residence Sunday morning, in a gesture of solidarity with the sit-in strikers, led by Felix, who had returned from the hospital.

**LIKUD LAUNCHES PARTY CONVENTION FROM TOWN ON THE GOLAN HEIGHTS**

By Cynthia Mann

JERUSALEM, May 16 (JTA) -- Proclaiming itself against Israeli withdrawal from the Golan Heights, the opposition Likud party kicked off its national convention this week in Katzrin, the Golan's regional capital.

Party Chairman Benjamin Netanyahu told Likud delegates Sunday night that Israel's posture must be that the Golan was captured and should not be returned to Syria as part of the ongoing peace process.

The chief item on the agenda of the three-day meeting is a new constitution for the party, proposed by Netanyahu. Critics of the proposal say it would give the chairman unprecedented powers.

Former Foreign Minister David Levy, Netanyahu's archrival in the party, boycotted the convention in protest of what he claimed were Netanyahu's efforts to grab sweeping powers over the party.

Newly inaugurated Israeli President Ezer Weizman opened the conference, saying he had been proud to serve as a Cabinet minister under the late Likud leader Menachem Begin.

Weizman later, however, abandoned the hawkish policies of the Likud and defected to the Labor Party.

Weizman hailed the Likud party for being the first to sign a peace treaty with an Arab country, namely Egypt.

**PERES GOES TO INDIA AND CHINA**

JERUSALEM, May 16 (JTA) -- Foreign Minister Shimon Peres left Sunday morning for India and China to solidify business ties with those two countries.

He is accompanied on his weeklong trip by a group of top Israeli businessmen.

In India, Peres is expected to sign agreements in areas of technology, culture, aviation and tourism.

In China, Peres will open a faculty in international relations, dedicated to David Ben-Gurion, at Beijing University and will be awarded an honorary doctorate.

**ISRAEL'S 'SPY ON THE HORSE' DEAD IN MUNICH AT AGE 72**

By Hugh Orgel

TEL AVIV, May 16 (JTA) -- Maj. Ze'ev Gur-Arye, a German Jew who as Israel's so-called "champagne spy" worked undercover for years in Egypt, died last week in Munich at the age of 72, following a long illness.

Gur-Arye, who assumed the name of Wolfgang Lutz during his years as an Israeli spy in Egypt, earned the sobriquets of the "champagne spy" and the "spy on the horse" because of the opulent lifestyle he led in Egypt, where he owned a ranch and riding school.

Posing as a rich German businessman in Cairo in the early 1960s, Gur-Arye earned the confidence of high-level friends who unwittingly fed him with information about the activities of German rocket and missile scientists working for the Egyptian authorities.

Gur-Arye was born in Hamburg to the non-Jewish manager of the Hamburg Theater and his Jewish actress-wife. His fluent knowledge of German and his Hamburg accent, coupled with the fact that he had not been circumcised, enabled him later to pass as a German non-Jew.

When caught and charged with espionage in Egypt, he was thought to be a German citizen and therefore received a relatively short sentence.

If the Egyptian authorities had known he was an Israeli Jew and a major in the Israeli army, he would certainly have been sentenced to death.

Gur-Arye came to Palestine at the age of 12 and, while serving as a career officer in the army, was picked and trained for spy duties in Egypt.

His popular ranch in Egypt was frequented by both German scientists and senior Egyptian officials and government officials.

He was well-supplied with money and quickly became a social star. Frequently acting against standing orders by his spy masters in Israel, Gur-Arye married a German woman named Waltrude and recruited her to help him in his espionage duties without informing his supervisors.

After the couple's release from jail in Egypt, they came to Israel via Europe.

The master spy tried to make a go at business, but having failed, he moved back to Germany, where his wife died some years ago.

For the past 12 years, Gur-Arye had lived with a West German journalist who cared for him when his health deteriorated seriously in the past few years.

According to Werner Meir, a German journalist who interviewed him shortly before his death last week, Gur-Arye lost his charm until the end. But the last words of the man generally regarded as one of the bravest of intelligence agents were "I'm scared."

**ISRAELI COST OF LIVING UP SHARPLY**

TEL AVIV, May 16 (JTA) -- Israel's cost of living rose an alarming 1.4 percent during April, the Central Bureau of Statistics has announced.

It was the fifth straight month that the monthly cost of living index has risen by more than 1 percent, to the consternation of Israel's economic and trade union leaders.

Based on the indexes for the first third of the year, the inflation rate for 1993 is now expected to be 16.5 percent.
CANADA CRACKING DOWN ON ISRAELIS WHO VISIT AND SEEK REFUGEE STATUS
By Gil Kezner

TORONTO, May 16 (JTA) -- Canada has imposed a visa requirement on visitors with temporary Israeli travel documents because of the rapidly increasing number who have claimed refugee status here in the last three years.

The new regulation, announced last week by Employment and Immigration Minister Bernard Valcourt, is intended to halt a stream of bogus refugee claims, many of them filed by Jews from the former Soviet Union, said Canadian Immigration spokeswoman Wendy Bontinjen.

The measure stems from "the need to protect the integrity of the refugee system" and control illegal migration, said Bontinjen. "We have to demonstrate we have control of our borders." 

Israel issues laissez-passer papers to newly arrived immigrants desiring to travel abroad. The orange-colored "Travel Document in Lieu of National Passport" is replaced by a permanent blue-jacketed passport after one year in the country.

The visa, obtainable from the Canadian Embassy in Tel Aviv or any Canadian consulate or embassy, costs $50 (Canadian) per individual, including children, for a one-time entry. A multiple-entry visa costs $75.

Those prices, which are payable in Israeli shillers, are based on "cost recovery," said Bontinjen, and are not intended to be a deterrent to visitors. The visa requirement will remain in effect indefinitely, she added.

Israel has become a major source country for refugee applicants in Canada. There were 2,050 Israelis who made refugee claims here in 1992, compared to 218 in 1991 and 65 in 1990.

Of the 245 cases heard to completion last year, 68 were granted refugee status. The figure was 53 in 1991 and 16 in 1990.

The visa requirement will not affect or inconvenience citizens of Israel traveling on regular Israeli passports to Canada. Those passports continue to be visa-exempt.

MORE HOLOCAUST VICTIMS ELIGIBLE FOR AUSTRIAN GOVERNMENT PENSIONS
By Marta S. Halpert

VIENNA, May 16 (JTA) -- The number of Jewish Holocaust victims eligible for Austrian government pensions has been enlarged, under a revision of the national insurance regulations adopted by Parliament last month.

Starting July 1, Holocaust survivors from Austria who were born between May 10, 1930 and Dec. 31, 1932 will become eligible for pensions. Jewish victims of the Nazis who were born before that date could already claim pensions under the existing social insurance legislation.

Though not the full-fledged reparations sought of Austria by some Jewish groups, the increase in the number of those receiving pension money was welcomed by the Committee for Jewish Claims on Austria.

"We are pleased that our intensive efforts to enlarge the number of Jewish Nazi victims from Austria who will be entitled to obtain pensions were successful," said Rabbi Israel Miller of New York, who is president of the committee.

Negotiations over the measure had been going on since March 1991 between Jewish officials and representatives of the Austrian Social Affairs and Finance ministries. The Jewish team was headed by Paul Grosz, president of the Jewish community of Austria, and by Miller and Saul Kagan of the claims committee in New York.

"There are some small details yet, which still have to be adjusted, but otherwise these new regulations are an obvious achievement for the persons concerned," said Grosz.

The changes came as a result of one additional paragraph in the 51st amendment to the Austrian social insurance law, which was adopted in the Austrian Parliament on April 21.

The amendment now takes into account that Jewish citizens who were 6 years old at the time of the Anschluss could not finish their schooling here because they emigrated or were deported.

If they could have spent their working life here as normal citizens, they would have naturally been included in the Austrian social security system. But the Nazi takeover made that impossible.

The wording of the law has also been changed so that humanitarian aspects will be a factor in deciding who is entitled to the pension money, rather than a strict reading of the jurisdictional points of the social security legislation.

The new law says that people claiming pension rights do not have to prove prior social insurance membership. The only condition is residence in Austria in March 1938.

Neither the Austrian authorities nor the Jewish community has any idea about the number of victims still alive to claim the new benefits.

JEWS HAIL AUSTRALIAN DECISION TO BAN HOLOCAUST-DENIER IRVING
By Jeremy Jones

SYDNEY, Australia, May 16 (JTA) -- In a ruling hailed by Jewish groups, the Australian Federal Court upheld the government's decision to ban Holocaust-denier David Irving from entering the country.

The court struck down the arguments put forward by Peter Bates, lawyer for the British writer, who said his client had been "denied natural justice" and that the ban was the result of a government acting improperly in response to Jewish community lobbying.

A trial had revealed that the Prime Minister's Office urged Immigration Minister Gerry Hand to keep Irving out of the country, on the basis that such a visit would antagonize community relations.

It was shown, though, that the country's security agency, ASIO, indicated it did not oppose his entry and that the immigration minister's own department recommended that the Irving visit be approved.

Nevertheless, the court apparently heeded the testimony from the lawyer representing the newly elected immigration minister, Sen. Nick Bolkus, who told the court that Irving was legally refused entry on the ground that his views created an "unacceptable" and would lead to violence.

He also noted that Irving had been deported from Canada and convicted in a German court since his last visit to Australia.

The Executive Council of Australian Jewry said it was "pleased the minister's decision had not been overturned."

Stephen Smith, federal member for the seat of Perth, welcomed the decision, saying the government "should do everything we can to avoid racism and incitement to racial disharmony and particularly, in this case, anti-Semitic activity."
BEHIND THE HEADLINES:
CZECH TOWN INFAMOUS FOR BLOOD LIBEL
STRUGGLING TO BUILD A JEWISH MUSEUM
By Ruth E. Gruber

POLNA, Czech Republic (JTA) -- Local officials in this small town, scene of the last major anti-Semitic blood libel case in central Europe, want to turn the town's abandoned synagogue into a Jewish museum in order to help educate the public against prejudice. But lack of money -- a constant problem for Eastern Europe's former Communist countries -- has put the brakes on their plan.

Polna is a sleepy little town in the central region of the Czech Republic, halfway between Prague and Brno, and right on the historic border between Bohemia and Moravia.

A Jewish community was established here in the early 16th century, perhaps even earlier. A historic Jewish cemetery dates back at least to 1597, and the section of town which used to house the old Jewish ghetto remains intact. The neighborhood includes a now-ruined synagogue, built about 1682.

Polna became notorious in 1899, when a local Jew, Leopold Hilsner, was arrested for the murder of a local young woman. Though the charge was simply murder, the implication was that he had murdered the girl to use her blood in Jewish ritual.

Newspapers and politicians whipped up an anti-Semitic frenzy, and the case became known as a Czech Dreyfus Affair, particularly after Tomáš Masaryk, who later became the founder and first president of Czechoslovakia, stepped in to defend Hilsner from the ritual murder accusation.

Under the Communists, little was done to maintain the synagogue or Jewish cemetery. Only a few dozen Jews lived in Polna before World War II, and of the very few who survived the Holocaust, none returned to live in the town.

As in all Czech towns where Jews had lived, the Nazis stripped the synagogue of its furnishings and ritual objects, and sent them to Prague, where they intended to create a museum of an "extinct race."

The roof of the abandoned synagogue fell in about 30 years ago, and until recently it was just an abandoned shell.

Since the collapse of communism, however, local officials have pressed forward with plans to transform the building.

Detailed plans have been drawn up for a museum, and last year the town constructed a sturdy new roof on the building.

Old Jewish Cemetery Repaired

"We did what we could for the synagogue," said a Town Council official. "We really want to restore the building, but we don't have any money."

"What we want is an exhibition in three parts," said Mayor Radim Janu. "First would be a section presenting the history of the Jews. Second would be a section about Jewish history in Polna. Third would be a section detailing the Hilsner Affair."

"We want to use the history here -- the Hilsner case, etc. -- to educate people at this time of rising nationalism," Janu said.

The mayor said the town was attempting to retrieve for the planned museum all the ritual items and furnishings that were sent from Polna to Prague by the Nazis, and which now belong to the Jewish Museum there. Most of these items are documented by lists and photographs made at the time, the mayor said.

"Everything is at a standoff, because we have no money," said Marta Vomelova, director of Polna's local municipal museum. "But we want to create a museum. No one must forget that a Jewish community lived here for 400 years."

Local young people, she said, know little if anything about the Hilsner case and the anti-Semitic fury around it.

"I've been writing to Israel, to Prague, everywhere, asking for financial help," she said. "The answer we get is that no Jews live in Polna, so they can't give us anything."

"Many respond that such a museum would be a nice idea, but there are other places, in Prague and elsewhere, that need restoration first," said Vomelova.

Meanwhile, local volunteers have launched several initiatives to preserve Jewish culture.

Schoolchildren, scouts and other volunteers have cleared the old Jewish cemetery and are repairing the wall; a locked gate has also been erected.

A local historical society also has become involved in documentation.

"Many tourists come to look at the cemetery and synagogue," said a member of the Town Council. "We are surprised at how many, especially in the summer."

"Foreigners come and are angry at the bad condition of the synagogue -- it's hard to explain to them what the situation is," the Town Council member said.

"Last year," Mayor Janu said, "we organized a concert of a flutist and pianist from Jerusalem. It was a benefit concert to support and remember the Jewish tradition of Polna."

"The expenses for organizing the concert were higher than the income, but more important was the spirit of the endeavor."

UKRAINE REACHES OUT TO RELIGIONS,
REVERSING COMMUNIST SUPPRESSION
By Jed Sundan

KIEV, Ukraine (JTA) -- After decades of anti-religious propaganda and state-sponsored anti-Semitism under the former Communist regime, the Ukrainian government is now in the forefront of supporting religious revival and improving interfaith relations.

Nikolai Zhulinsky, the Ukrainian deputy prime minister for humanitarian problems, convened last week a Council for Religious Affairs, with representatives from all the leading religious organizations in attendance.

"The Ukrainian government has no desire or intention to politicize religion, and we sincerely hope that we can work with the leaders of all religious faiths," Zhulinsky said in his introductory statement.

"It is especially important now, in these difficult economic times, that the religious leaders help preserve the morals of our country," he later explained.

Responding to the overtures of the government, Ukrainian Chief Rabbi Yaakov Bleich said, "I think the fact that the government has resumed these meetings after such a long period is in itself a positive step that bodes well for the future."