

tion, it had been decided to suspend the implementation of the agreement regarding the granting of visas to Israeli tourists visiting China.

On the other hand, it has been reported that China recently purchased Israeli medals stamped by the Israeli Government's Medals and Coins Company. Among other things, the Chinese purchased the Independence Day, Jericho, and Exodus medals.

This was related yesterday by Eli'ezer Shiloni, director general of the Israeli Government's Medals and Coins Company, on the occasion of the appearance of the company's annual balance sheet for the past year.

Histadrut To Continue Import-Export Trade With RSA
TA050720 Jerusalem THE JERUSALEM POST in English
5 Aug 87 p 1

[Report by Ya'aqov Friedler]

[Text] The Histadrut-owned Koor concern is continuing its business with South Africa, and is "not about to stop the import and export trade" with that country, managing director Yesha'yahu Gavish told the press yesterday.

He said that the Soltam factory had stopped selling arms to South Africa long ago, but Israel was continuing to buy over a million tons of South African coal and exporting a range of Israeli goods to that country. Koor itself was managing the import of large quantities of steel as well as other goods and exporting Israeli products to South Africa, he said.

He declined to comment on the charges raised this week by MK [Knesset Member] Ran Kohen (Citizens Rights Movement) about the South African connection of its Iskoor subsidiary pending an official reply from the Histadrut Secretary General.

Knesset Rejects No-Confidence Motions
TA051248 Tel Aviv IDF in Hebrew 1230 GMT 5 Aug 87

[Text] A short time ago the Knesset struck down the no-confidence motions submitted by the opposition parties. Our Knesset correspondent Yinon Shenkar reports that the motions were defeated by a majority of coalition votes. The motions were raised by HADASH [Democratic Front for Peace and Equality], the Progressive List for Peace, and KAKH — all of them on the issue of Deputy Minister Deqel's remarks regarding the transfer [of Arabs from Israel]. MAPAM also submitted a no-confidence motion on the agricultural crisis.

Espionage Affair Disclosed; Two Convicted
TA051049 Tel Aviv IDF Radio in Hebrew
1000 GMT 5 Aug 87

[Text] Permission was given today to make public an espionage and treason affair which took place in Israel last year. Three people, including Yosef Ben-Avraham from Jerusalem, were put on trial on charges of having stolen and sold to hostile elements

a classified police file and other documents on terrorists and hostile terrorist activity. Two of the people indicted in the affair were convicted and their appeal turned down. The third defendant, Yosef Ben-Avraham from Jerusalem, was acquitted after a key prosecution witness changed his testimony. The state has appealed against Ben-Avraham's acquittal and his demand for compensation was rejected. In the wake of an agreement between Ben-Avraham's attorney and the State Attorney's Office, Ben-Avraham withdrew an appeal to the High Court of Justice. The registrar of the Supreme Court then instructed that the order banning publication remain valid, except for the announcement issued by the State Attorney's Office which we have just cited.

Peres Meets With Frayj Prior to Jordan Visit
TA050730 Jerusalem THE JERUSALEM POST in English
5 Aug 87 p 2

[Report by Joel Greenberg and Benny Morris]

[Text] Bethlehem Mayor Ilyas Frayj met yesterday with Foreign Minister Shim'on Peres to discuss the Middle East peace process in advance of a scheduled trip to Jordan this week.

Frayj described the hour-long meeting at the Foreign Ministry as "an exchange of views" on the political and diplomatic situation in the region, and specifically on the planned Israeli water-drilling project in the Bethlehem area. Frayj said he supported Peres's initiative to promote the peace process through an international conference, but added he was carrying no message with him to Jordan.

Sources in the Foreign Ministry however did not discount the possibility that Frayj is carrying a message from Peres to King Husayn. The thrust of that message is likely to be that Husayn should stick by his commitment to negotiate with Israel until the internal situation in Israel changes in a manner that would enable Israel to participate in an international peace conference.

Rabin Says Jordan River Labor's 'Security Border'
TA041109 Tel Aviv MA'ARIV in Hebrew 4 Aug 87 p A2

[Report by Yehoshu'a Bitzur]

[Text] "Whoever thinks that Israel can sign a peace agreement that does not specify the Jordan River as its security border is a fool. In any peace agreement with a neighboring Arab state, the Labor Party's security border would be along the Jordan River." This was stated by Defense Minister Yitzhaq Rabin yesterday in a speech to a mainstream Labor Party convention in Tel Aviv.

The mainstream is actually made up of the Labor Party's hawkish wing, which has banded together to counter the leftist and dovish line in the party. The convention was attended by Knesset Speaker and Knesset Member [MK] Shlomo Hilel; MK's Simcha Dinitz, Aharon Nahmias, and Eliyahu Speiser; as well as district secretaries and more than 100 party activists.

The defense minister also stated that Israel will not uproot Jewish settlements located in the heart of Samaria. However, he added

that after a political settlement is reached, the residents of these settlements will be under Jordanian rule, although they will be able to maintain their link to Israel. Rabin compared this to the situation of the 80,000 Arab residents in East Jerusalem, who live under Israeli sovereignty but maintain their link to Jordan.

Rabin criticized the Gush Emunim settlements in the heart of Samaria, saying that they are an assemblage of neighborhoods and cities used for sleeping purposes alone and do not contribute to the country's security. He expressed his opinion that there is no controversy with regard to the fact that Jerusalem and its environs, as well as Ma'ale Adummim, will remain under Israeli sovereignty. On the other hand, he maintained that Alfe Menashe and Ari'el do not contribute to Israel's security.

This was Rabin's reaction to the sharp criticism leveled by Yaron Ran, the secretary of the Ma'ale Adummim Labor Party branch, who complained about the enormous gap between the declarations of the Labor Party heads and the actual settlement activity.

Rabin claimed that the preferable way to conduct negotiations with an Arab state is through direct talks. Under present conditions the best way to proceed is to enter negotiations with Jordan through an international conference.

West Bank Agricultural Marketing Body Established

TA031053 Tel Aviv 'AL HAMISHMAR in Hebrew
3 Aug 87 p 2

[Report by Pinhas 'Inbari]

[Text] A federation of all the agricultural marketing organizations was established in the West Bank yesterday — the first body of its kind. This is a pro-Jordanian organization headed by Jordanian Parliament member Tahsin al-Faris. Brigadier General Efrayim Snc, the head of the Civilian Administration in Judaea and Samaria, yesterday granted Al-Faris the Israeli license for his organization.

Our correspondent says that until recently Jordan had objected to the establishment of such an umbrella organization in the West Bank and had foiled all attempts by Israel to set up such groups. However, Jordan has now changed its mind and has recently begun cooperating with Israel to counter PLO influence. It has been taking action to establish umbrella organizations with clear pro-Jordanian affiliation in the West Bank to push the PLO-supporting organizations to the sidelines.

Our correspondent points out that the Hebron Hills Area Village Leagues have not joined the federation, so Hebron has no representation in the body. A few days ago, the pro-Jordanian daily *Al-Nahar* published a clarification in which Jordanian sympathizers announced that in fact they are not cooperating with the Area Village Leagues.

Palestinians Permitted to Settle in West Bank

TA041520 Jerusalem Domestic Service in Hebrew
1500 GMT 4 Aug 87

[Text] Brigadier General Efrayim Snc, head of the Civilian Administration in Judaea and Samaria, has given approval for 350 Palestinians to settle in Judaea and Samaria within the framework of family unification. This gesture was decided on in honor of the Feast of the Immolation ['Id al-Adha], which began today. Our correspondent Arye Gus reports that this is an unprecedented figure for such a short period of time. Since the beginning of this year the Civilian Administration has permitted 700 people to return to Judaea and Samaria, compared with 1,000 for all of last year.

Gaza Curfew Being Lifted; Investigations Proceed

TA041729 Jerusalem Domestic Service in Hebrew
1700 GMT 4 Aug 87

[Text] The curfew imposed on the Gaza Strip is now being lifted. The roads to the Gaza district will be opened at 0300. Gaza fishermen will also be able to sail in the sea again. However, the security forces will continue their efforts to capture the murderer of Captain Ron Tal.

New Date Set for Government Decision on Lavi

TA050500 Jerusalem Domestic Service in English
0400 GMT 5 Aug 87

[Excerpt] A new date has been set for the government's decision on the fate of the Lavi: It is now 16 August, this after the government put off the meeting several times while the prime minister sought to get reevaluations and cost-production proposals from Israel Aircraft Industries [IAI]; but the IAI reportedly presented its findings to the premier 2 weeks ago. [passage omitted]