

SOVIETS BALK AT NEW PROPOSALS

By David Friedman

WASHINGTON, Oct. 25 (JTA) -- Secretary of State George Shultz indicated Friday that he was unable to get the Soviet Union to go along with a new proposal for negotiations between Israel and Jordan under the auspices of the United States and the Soviet Union.

"We haven't made any particular progress in the varying concepts we have about that," Shultz said at a press conference in Moscow following two days of talks with Soviet Foreign Minister Eduard Shevardnadze and Soviet leader Mikhail Gorbachev. The press conference was seen here as it was held over the Cable News Network (CNN).

Shultz was apparently referring to the latest proposal to have Moscow and Washington jointly host negotiations between Jordan and Israel, as well as the earlier proposal for an international conference which would include the five permanent members of the United Nations Security Council.

The Soviets have backed Jordan and other Arab countries in pressing for the international conference. The issue has divided the government of national unity in Israel, with Foreign Minister Shimon Peres and his Labor colleagues supporting the concept as the only way to bring Jordan into the negotiations while Premier Yitzhak Shamir and Likud are vehemently opposed because of a belief the Soviets would use it to press anti-Israeli actions.

During Shultz's visit to the Middle East en route to Moscow, Shamir and Peres apparently agreed to allow Shultz to raise the new concept with the Soviets.

However, Shultz has never publicly acknowledged that there is such a proposal. Shamir told Israel Army Radio that it was agreed not to disclose the plan while the U.S. official was in the Soviet Union.

The proposal is aimed at avoiding the term "international conference" since it calls for direct talks between Israel and a Jordanian-Palestinian delegation under U.S.-Soviet auspices.

Opposition From Tehiya

But the existence of the proposal became public in Israel and has already drawn fire from some members of Likud and the rightwing Tehiya Party, which has submitted a non-confidence motion in the Knesset.

Shultz's response on the Mideast process came in an answer to a question from a Soviet reporter. The secretary stressed that the United States has been a "helpful partner" in seeking peace in the Mideast.

He added that in addition to seeking peace, "We have made many efforts to improve the quality of life" for Palestinians on the West Bank and Gaza. He said during his recent visit he discussed what is being done on this with both Israel and Jordan.

Meanwhile, the major obstacle to either an international conference or to the new proposal is the insistence by both Israel and the United States that before the Soviet Union can participate in the Middle East peace process it must

restore diplomatic relations with Israel and allow Soviet Jews to emigrate in greater numbers.

Shultz indicated Friday that he was pleased that efforts on human rights were being developed "carefully and systematically." He noted it was a major issue in his talks with Shevardnadze and had been discussed by a working group of U.S. and Soviet officials.

Meets With Refuseniks

The secretary met briefly Thursday with about 60 refuseniks, which included persons seeking to immigrate to Israel or to rejoin spouses in the United States. Many were the same people who attended a Passover seder hosted by Shultz at the U.S. Embassy when he was in Moscow last spring.

Richard Shifter, assistant secretary of state for human rights and humanitarian affairs, said the Soviets had set up a commission, promised last spring, to review the cases of refuseniks and will announce decisions within six months.

According to reports from Moscow, Shifter stressed that while progress is being made on Soviet emigration policies, "we still have a very, very hard road ahead."

Emigration from the Soviet Union increased this year to 5,403 by the end of September and has included some well-known long-time refuseniks like Iosif Begun, Ida Nudel and Vladimir Slepak. But Soviet Jewry activists in the United States note there are nearly 400,000 Jews who want to emigrate and new applicants are being discouraged by a strict new law.

Meanwhile, Shultz ended four-and-a-half hours of talks with Gorbachev Friday without the Soviet leader accepting President Reagan's invitation to a summit in Washington this year. The announcement of a date for the summit had been widely expected before Shultz went to Moscow.

Shultz said Gorbachev told him he would write a letter to Reagan, and the disappointed secretary added, "we'll be checking the mail."

If Gorbachev does come to Washington, thousands of American Jews and non-Jews are expected to greet him with a massive demonstration on behalf of Soviet Jewry.

NOBEL PRIZE TO TWO WITH JEWISH ROOTS

By Marlene Goldman

NEW YORK, Oct. 25 (JTA) -- This year's Nobel Prizes have so far been awarded to two men with Jewish roots: U.S. economist Robert Solow and Soviet-born American poet Joseph Brodsky.

Solow, a 63-year-old professor of economics at the Massachusetts Institute of Technology, Boston, won the Nobel Prize in Economics Wednesday for what the five-member selection committee described as a development of a mathematical model that long-term growth depends on technological progress, not only on capital and labor.

According to Prof. Assar Lindbeck of the University of Stockholm, a member of the selection committee, Solow's studies, dating back to 1956 and 1957, pioneered the theory that "tech-

nology meant much more for the growth rate than increases in labor and capital." These results induced governments to "push higher education and technological research."

His emphasis remains on the increase of knowledge in improved technology and human skills.

Solow is the 16th American to win or share the economics prize, which this year totals \$330,000, since it was first given 18 years ago.

Born in New York in 1924, Solow refers to himself as an "old-fashioned Jewish boy from Brooklyn." Although his Jewish past consists of more cultural ties than religious, according to his wife, Barbara, she said "his Jewish background has given him values and standards that he adheres to." Solow is also a financial supporter of the Peace Now movement in Israel.

Brodsky, 47, won the Nobel Literature Prize Thursday. He said he hoped the prize would expand knowledge and exposure to Russian poetry and help the liberalization process in the Soviet Union.

Brodsky was born in Leningrad to a Jewish family, but there is no indication that he now lives Jewishly. He dropped out of school at age 15 and became a manual laborer, writing poetry in his spare time. But his poems upset the authorities and in 1964 he was convicted of "social parasitism" and sentenced to five years' hard labor in an Arctic labor camp.

His strife in the labor camp sparked international interest in his poems and an international protest that led to his early release after serving 18 months. In 1972, he was deported from the Soviet Union.

Literary connoisseurs said he was latest in a line of great Russian independent-thinking, modernist poets. Brodsky is the first Russian-language writer to win the prize since Alexander Solzhenitsyn in 1970. The Academy said that "for Brodsky, poetry is a divine gift."

His first volume of poetry in English translation was published in 1973 and the second, "A Part of Speech," appeared in 1980. Brodsky's volume of essays, "Less Than One," won the U.S. National Book Critics Award for criticism last year.

SECRET REPORT URGES STEPS TO CURB ARAB SEPARATISM

By Hugh Orgel

TEL AVIV, Oct. 25 (JTA) -- A secret report containing recommendations aimed at thwarting Arab separatist tendencies within Israel will be presented to Premier Yitzhak Shamir soon, Haaretz reported Sunday.

The report, whose authors detect a growing trend among Israeli Arabs to establish their own autonomous institutions and split away from the state, contains recommendations calling for special budgets of 235 million shekels (\$147 million) over the next five years to be allocated directly to the minorities sector.

Some 85 million shekels (\$53 million) would be directed to the development of Arab municipalities, according to the report, which is titled "Principles of Government Policy Toward the Minorities Sector in Israel." According to Haaretz, which obtained a copy of the document, the report was prepared by former Likud-Herut Cabinet Minister Moshe Arens and his Arab affairs adviser, reserve Brig. Gen. Amos Gilboa.

Arens, interviewed on the "Erev Hadash" (New Evening) program, which winds up daily broadcasts of educational television, said he "knew nothing" of the secret report, which was also published by Maariv.

But he later admitted under pressure that work had started on such a report when he was defense minister. Arens became defense minister in 1983, succeeding Ariel Sharon.

'Laundered Funds'

The report, as published in Haaretz, alleges that "laundered funds from abroad," whose source is Palestine Liberation Organization bodies, are conveyed to a portion of the minorities population -- mainly elements that do not identify with the state.

The report recommends that "the defense establishment examine ways to encourage minorities to volunteer for the Israel Defense Force, and draw up programs accordingly, placing the emphasis on Bedouins and Christians (Arabs) in the first stage, and preparing the organizational and other tools for their integration into the various IDF units."

Since the state was founded, Israeli Arabs have been exempt from military service on humanitarian grounds -- that they should not be forced to fight against Arabs in Israel's wars-- and because Arabs in the armed forces are considered a security risk. As a consequence, Arabs are excluded from the various benefits to which IDF veterans are entitled. However, Druze and Circassian Moslems are permitted to serve.

The report recommends that "the establishment of an independent Arab party with an affinity to the PLO or to bodies working for the realization of autonomy for the Arabs of Israel be prevented."

It refers specifically to such bodies as the National Committee of Arab Local Councils, the Student Committees, High School Student Committees and the Committee for Safeguarding Arab Lands, among others.

"The existing national Arab bodies (should) be integrated into the framework of existing state and public institutions and, should this prove impossible, they should not be granted official recognition," Haaretz quoted the report as stating.

Thwarting 'Subversive Activity'

"Illegal subversive activity, and activities whose goal is to realize aspirations of splitting off from the State of Israel, (must) be prevented and thwarted," the report says.

It recommends "working toward creating a state of equality and integration between the minorities population and the majority Jewish population, through the allocation of the required resources and the creation of an atmosphere that accords the minority population a feeling of belonging to the state, and of their being an inseparable part of it."

According to demographic forecasts, minorities in Israel, chiefly Arabs, will total 1,183,000 by the year 2000, or 29 percent of the population, compared to 17 percent today. The Jewish population is projected at 4,126,000 by 2000.

The percentage of Druze and Christians is expected to drop while the percentage of Moslems rises, especially the Bedouins, whose annual natural rate of increase is between 4.5 and 5 percent.

ORGANIZATIONS PLEADED BY BORK DEFEAT

NEW YORK, Oct. 25 (JTA) -- American Jewish organizations have expressed keen satisfaction with the Senate's 58-42 vote last week against seating Judge Robert Bork on the United States Supreme Court.

President Reagan's nominee was repudiated by 58 Democrats and six Republicans. Henry Siegman, executive director of the American Jewish Congress, hailed the decision as "a victory for the Constitution."

Anne Foss, vice president of American affairs of NA'AMAT USA (formerly Pioneer Women), said her organization believes the Senate exercised its constitutional responsibility when it rejected Bork.

Siegman said it was clear after three weeks of exhaustive hearings by the Senate Judiciary Committee that Judge Bork "would have disabled the Supreme Court from interpreting the Constitution to meet the changing needs of our ever-expanding democracy."

He urged President Reagan to "act quickly" to nominate to the high court someone "who is within the mainstream for American legal thinking."

The president has yet to make a new nomination. About a half dozen names have been mentioned as his possible choice, all of them members of the federal bench. They include at least one Jew, Laurence Silberman, 52 of Washington, a former deputy attorney general and ambassador to Yugoslavia, now on the U.S. Court of Appeals.

NA'AMAT USA noted in its statement that its national president, Gloria Elbling, was one of the first leaders of a major American Jewish organization to speak out publicly against Bork's nomination.

She based her opposition on Bork's positions on church-state separation, civil rights, rights of privacy and equality, which differ sharply from those of her organization.

HATE CRIMES DATA BILL
PASSES HOUSE PANEL

By David Friedman

WASHINGTON, Oct. 25 (JTA) -- A bill requiring the Justice Department to collect data about crimes motivated by racial, ethnic, religious and anti-gay prejudice was approved by the House Judiciary Committee by a 21-13 vote last week.

The Hate Crime Statistics bill would require the FBI to publish an annual report similar to the Uniform Crime Statistics it now provides.

A similar bill was approved by a House Judiciary subcommittee two years ago, introduced by Rep. Barbara Kennelly (D-Conn.), but never was voted upon by the full House. Kennelly and Rep. Dan Glickman (D-Kan.) reintroduced the bill this year.

However, the bill adopted by the committee was introduced by Rep. John Conyers Jr. (D-Mich.), adding the concern for anti-gay prejudice.

There is some fear that including crimes against gays in the hate bill might endanger its passage in Congress. But David Brody, Washington representative of the Anti-Defamation League of B'nai B'rith, stressed that it was important to gather statistics on hate-motivated crimes in order to make the public aware of the extent of such crimes.

The House recently adopted a bill, introduced by Glickman, that would impose federal crim-

inal penalties for damage to religious property and injury to persons in the free exercise of their religious beliefs.

U.S. AIRCRAFT MANUFACTURER
TO SUE ISRAEL OVER LAVI CONTRACTS
By Hugh Orgel

TEL AVIV, Oct. 25 (JTA) -- Pratt and Whitney, a major American manufacturer of aircraft engines, is about to file suit in New York against the Israeli government for \$350 million in compensation for violation of contracts related to the joint development of the Lavi, Israel's second generation jet fighter plane, the Israeli news media reported Sunday.

The Lavi project was abandoned by decision of Israel's Cabinet last Aug. 30 because of excessive costs. The Reagan administration had been urging such action for more than a year. The Lavi was financed by U.S. military grants.

Hadashot reported Sunday that the Defense Ministry has offered Pratt and Whitney proposals for future cooperation that would make up the losses sustained from cancellation of the Lavi. The ministry thereby hopes the American company will withdraw its suit, Hadashot said. In a related item, the newspaper reported that the defense establishment has decided to buy F-16C fighter planes from the General Dynamics Corp. as a substitute for the Lavi. According to the report, the F-16s will not be modified with components developed in Israel. Israel Aircraft Industries, manufacturer of the Lavi, will not enter into joint production arrangements with General Dynamics, Hadashot said.

WALDHEIM DENIES HE WAS RECRUITED
BY AMERICAN INTELLIGENCE AGENCY
By Reinhard Engel

VIENNA, Oct. 25 (JTA) -- President Kurt Waldheim has denied overseas media reports that he was recruited by the Office of Strategic Services (OSS), precursor to the CIA, after World War II. A spokesman for Waldheim called the reports "untrue and fabricated."

According to the reports, the OSS began recruiting German officers who had held key intelligence posts during the war. Waldheim served as an intelligence officer in a German army unit that carried out atrocities in the Balkans, including the deportation of Greek Jews. He dealt with information about the Yugoslavian resistance, British commando activities in the Mediterranean and later Soviet armies in the Balkans.

The OSS was said to have sought German intelligence personnel familiar with Soviet, communist and other leftist activities.

Meanwhile, the Austrian Foreign Ministry announced that it would ask the U.S. State Department, on behalf of Waldheim, for the president's CIA file, which the Central Intelligence Agency has refused to make public so far.

TEL AVIV (JTA) -- Stock prices dropped by 5 to 10 percent in lively trading on the Tel Aviv exchange Sunday. Orders to sell exceeded buy orders by a wide margin. Officials spoke of "undue nervousness" and expressed hope for an upturn Monday.

**ON RETURN TO USSR, EX-REFUSENIK
FINDS HOPE FOR JEWISH LIFE**
By Andrew Silow Carroll

NEW YORK, Oct. 25 (JTA) -- Alex Goldfarb says the circumstances of his return to Moscow were indeed remarkable, but not nearly as remarkable as what he found there.

During a virtually unprecedented eight-day visit in the Soviet Union, the former refusenik and current Israeli citizen was surprised to find signs of optimism among Jews who are, in his words, "in the system."

In a telephone interview Sunday, Goldfarb spoke of the large number of Soviet Jews who, having no immediate plans to emigrate, believe Mikhail Gorbachev's policy of glasnost, or openness, may allow them to identify historically, culturally and politically as Jews, without the hostility or oppression of the past.

It was glasnost, of course, that allowed Goldfarb, once one of the most vocal and officially disliked Jewish dissidents, to travel back to Moscow after 12 years to visit with his sister Olga. Although a growing number of former Soviet citizens have been allowed back for visits, Goldfarb believes he is the first holder of an Israeli passport to be allowed to do so.

Optimism And Despair

Arriving in Moscow on Oct. 12, Goldfarb, a professor of microbiology at Columbia University, found a familiar mix of optimism and despair among refuseniks. News that Ida Nudel and Vladimir and Maria Slepak were to be granted exit visas was overshadowed by awareness of harsh restrictions, established in January, that seem to make Jewish emigration even more difficult.

What he had not expected were signs of "a certain promise of health within unofficial Jewish life." Among the Jews he visited were those, like scientist Mikhail Tshlenov and his daughter Irene Shapiro, a law student and Hebrew teacher, who are testing the limits of glasnost by openly protesting anti-Semitism and by organizing to promote authentic Jewish culture.

Although no one can provide exact numbers, said Goldfarb, movements like theirs represent the feelings of a clear majority of the Soviet Union's Jews. Of the country's 1.9 million Jews, Goldfarb estimates that fewer than 10 percent have a desire to emigrate.

"Although they recognize Israel as the spiritual and cultural center of Judaism, these people are trying to test the limits of glasnost outside the emigration movement," said Goldfarb. "They see their role as getting some form of Jewish life acceptable by the rules of glasnost."

Cultural Movements

Goldfarb said he spoke with a wide spectrum of both Jewish and non-Jewish Soviets during his week in Moscow, including members of three distinct Jewish cultural movements. Their efforts include recent demonstrations against anti-Semitism and in memory of those killed at Babi Yar, gatherings at a small Jewish "library" and "community center" in the home of a Col. Sokol and the establishment of the Moscow Jewish Cultural Association.

During an evening at Sokol's "library," Goldfarb discussed the current political climate with Jewish intellectuals, American visitors and current refuseniks, including Iosif Begun.

They find encouragement, said Goldfarb, in signs like a relaxation in university admission policies toward Jews and the reactions of the Soviet authorities to openly "ethnic" activity. Although Soviet police broke up the recent anti-Semitism demonstration, the leaders of the protest were not arrested. Goldfarb remembers fellow dissidents being given sentences of five and seven years for participating in similar demonstrations in the 1970s.

In addition, articles have been appearing in the Soviet press casting Jews in a positive light, including two Jewish journalists in the Ukraine who were depicted as being arbitrarily persecuted by the local KGB earlier this year.

Finally, while the number of applications for exit visas has dropped since January, the treatment of those applying has been said to be improving. Goldfarb said applying for a visa does not automatically result in surveillance, harassment or the loss of a job.

But even while emigration is not the highest priority among many of the Jews Goldfarb met with, it is seen as the option of last resort, he said, should their movement be crushed.

Jews "in the system" harbor no illusions about the Soviet bureaucracy and how much openness it will tolerate. They have no intention that their budding organizations become Soviet "showpieces" and vehicles for propaganda, as they consider Moscow's Great Synagogue and various official Yiddish newspapers to be.

Evidence Of Anti-Semitism

And they still find evidence of strong anti-Semitic sentiments prevailing within the Communist Party apparatus, and are concerned about the rise of anti-Semitism at the grass-roots level. That rise is embodied by Pamyat, a far-right movement that Goldfarb said claims the highest membership among the alternative organizations that have sprung up in the wake of glasnost. Pamyat has risen to prominence on an anti-foreigner platform that includes fears of a "world Zionist conspiracy."

Ironically, members of organizations like the Moscow Jewish Cultural Association owe their optimism to the same relative tolerance that has allowed Pamyat -- and groups as diverse as Ukrainian Catholics, punk rockers and abstract artists -- to come forward. "These are Jews, but not political Zionists. The authorities do not know what to do with them," said Goldfarb.

The presence of a culturally-aware Jewish community that does not list emigration as a first priority proposes new questions for Soviet Jewry movements in the United States and elsewhere, said Goldfarb.

"Without taking the emigration issue off the agenda, there should be a very furious political effort to insist that there...be some sort of Jewish life in the Soviet Union," he said.

Goldfarb said that groups outside the Soviet Union can probe the limits of glasnost by attempting to pass money or material to the Jewish cultural movement, or by establishing a Jewish organizational presence -- an office or library -- in the Soviet Union itself.

Goldfarb said he recognizes that a viable Soviet Jewish movement may represent wishful thinking. "My view is very skeptical," he said. "But at the moment, it exists. At this moment, it is possible. And I think it is our duty to support these people."