

**ISRAELI ENVOY MEETS WITH JACKSON,  
REJECTS OFFER TO AID MEDIATION**

By David Friedman

WASHINGTON, Aug. 8 (JTA) -- Israeli Ambassador Moshe Arad made it clear to the Rev. Jesse Jackson on Sunday that neither Jackson nor any other individual could be an intermediary in the Arab-Israeli conflict.

Arad politely rejected such a role for Jackson when, during a two-and-a-half-hour meeting at the envoy's home, Jackson mentioned several times the close contacts he had with Palestinians and some Arab leaders, an Israeli source told the Jewish Telegraphic Agency.

Negotiations must be carried out by the parties involved, with the help of the U.S. government, Arad told Jackson.

At a news conference after the meeting, Jackson seemed to go along with this view, saying that negotiations should "basically be government-to-government contacts." But he also noted that "whether government or non-government, we must improve the climate."

The meeting, which Jackson requested and told Arad "was overdue," covered a wide range of issues, from the current tensions between blacks and Jews in the United States to the Arab-Israeli conflict.

The Israeli source termed the meeting "very cordial" and "very positive."

The meeting was seen as part of Jackson's effort to repair relations with the Jewish community, where there was concern about his presidential campaign and about what influence he may have if Massachusetts Gov. Michael Dukakis is elected president.

Jackson stressed that he was not acting on behalf of the Democratic presidential candidate, but met with the Israeli envoy as part of "my ongoing effort to seek peace in the world."

**Focus On Zionism, Anti-Semitism**

Arad gave Jackson a detailed description of the Arab-Israeli conflict, stressing the Arab refusal to negotiate with the Jewish state and the Palestine Liberation Organization's rejection of Israel's existence.

The ambassador also discussed the 1975 United Nations resolution equating Zionism with racism, and explained what Zionism means to the Jewish people.

Arad opened the meeting by raising concerns about new expressions of anti-Semitism in some quarters of the black community. He specifically mentioned tensions in Chicago, where some black leaders made openly anti-Semitic remarks after an aide to Mayor Eugene Sawyer was dismissed for making viciously anti-Semitic remarks.

Arad said that leaders like Jackson, who lives in Chicago, should raise their voices against anti-Semitism.

But, according to the source, Arad made clear that he was speaking as a concerned Jew and that the issue should be discussed by black leaders with the leaders of the organized Jewish community in the United States.

During the New York primary campaign, Jackson turned down several invitations to meet with the Conference of Presidents of Major

American Organizations and with the Jewish Community Relations Council of New York.

Jackson seemed to be still avoiding this type of meeting, since he said his meeting with Arad was an effort to establish "some kind of conduit for communications" between blacks and Jews.

Jackson described to Arad the close relations that existed between blacks and Jews in the civil rights struggle. He also noted that both Moses and King Solomon had black wives and that some of the first American soldiers who liberated Nazi concentration camps in World War II were blacks, the source said.

**Need To 'Talk With Each Other'**

At his news conference, Jackson also stressed it was important for Jews and blacks to "talk with each other and not about each other."

He said the significance of his meeting with Arad "was just to get some sense of human touch, some sense of feeling, some sense of sharing, some commitment for ongoing dialogue, some commitment to remove barriers, some ability to agree to agree, or agree to disagree."

But when he was asked about the Chicago situation, Jackson replied: "It's not just Chicago and an aide to the mayor. It's the mayor of New York himself saying that any Jew who would vote for me 'would be crazy.'"

"That statement traumatized many people, it hurt many people," he said. "Yet we will not surrender to that level of politics and public discourse."

New York City Mayor Edward Koch, who has been heavily criticized for his remarks about Jackson during the New York primary, actually said that Jews and other supporters of Israel would be crazy to vote for Jackson, because of his support of a Palestinian state.

Jackson and Koch have agreed to a request from New York Gov. Mario Cuomo that they meet to soothe over their differences. The meeting has not yet been scheduled.

Jackson and Arad also discussed Israel's relations with South Africa and the situation of the Black Hebrews in Israel.

Jackson was accompanied by his son, Jonathan; Rep. Mervyn Dymally (D-Calif.); Percy Sutton of New York, who had been a leader in his presidential campaign; and two American Jews, R. Peter Strauss of New York and Ed Elson of Atlanta.

**PARTIES TAKE OPPOSING STANDS  
ON RELEASE OF PALESTINIAN PLAN**

By Gil Sedan

JERUSALEM, Aug. 8 (JTA) -- United briefly in condemnation of an uncovered Palestinian plan for declaring an independent state, Labor and Likud went their separate ways Monday over whether discovery of the plan should have been made public in the first place.

While Likud stood openly behind the leak of the documents, uncovered during a search last month of detained activist Faisal al-Husseini's Arab Studies Institute in East Jerusalem, Labor ministers called the leak "a stupid act" that unnecessarily inflamed the public.

The debate was fueled by continuing uncer-

tainty over the fallout from Jordan's apparent intention to withdraw its financial and administrative support from the territories.

The uncertainty led to partisan squabbling at the weekly Cabinet session, and formed the backdrop to U.S. Assistant Secretary of State Richard Murphy's talks Sunday with Israeli leaders in Jerusalem.

Sunday's Hebrew newspapers trumpeted the discovery of the Palestinian statehood plan, which included among its proposals calls for a declaration of independence, a government in exile headed by Palestine Liberation Organization chief Yasir Arafat and a state with borders based on the U.N. partition resolution of 1947.

The PLO has made no official announcement endorsing the plan.

The parties' reactions to these revelations smelled strongly of election-season politics. Prime Minister Yitzhak Shamir of Likud gave his blessing to the leak, saying it was good to expose the intentions of those who proposed to establish a Palestinian state "along the borders of the partition plan."

#### **'Just Another Paper'**

But Foreign Minister Shimon Peres, the Labor Party leader, said the document was "just another paper" that "got everyone nervous for no reason, and made out as if the sky had fallen down."

Defense Minister Yitzhak Rabin, a Laborite, agreed at the weekly Cabinet session that the document was blown out of proportion. He said the document was leaked "without my knowledge or authority." He denied it was released to justify the arrest of Hussein, which has been criticized by the dovish Israeli group Peace Now.

"Hussein's detention took place without any connection to the material seized," said Rabin. "He was detained because of his involvement in assisting the violent action against Israel." Hussein has been detained three times in the past two years.

In discussion of King Hussein's recent moves, Labor ministers charged that the Likud's rejection of the latest U.S. peace plan and a general political standstill led Hussein to cut his ties with the territories, thus leaving the PLO as the sole Arab factor there.

But at the same time, security sources said that Hussein's departure from the territories might help create a local Palestinian leadership that would will act, at least partially, independently of the PLO, and would allow some form of a Palestinian-Israeli dialogue.

During separate visits Sunday with Shamir and Peres, U.S. envoy Murphy continued to seek support for the U.S. peace plan.

#### **Envoy May Meet Palestinians**

On Monday, Murphy went on to Amman to feel out Hussein on his intentions. On Tuesday, Murphy was scheduled to continue to Cairo, where it is thought he may meet with Palestinian representatives.

But it was still unclear how the Americans and the Palestinians would solve the American diplomat's refusal to meet with PLO members.

Hussein's disengagement from the territories has shifted the limelight from the continued unrest there.

But an assassination attempt on the mukhtar, or village head, of the West Bank village of Bidya served as a reminder that life in the territories is

far from normal.

The mukhtar, Mustafa Abu Bakr, 47, was shot and wounded Sunday afternoon in the courtyard of his home, in the latest attack on a suspected collaborator with Israel.

Abu Bakr was shot four times in the stomach as he sat in the courtyard with his family. He was reported in fair condition at the Meir Hospital in Kfar Sava, where he underwent surgery.

It was the second assassination attempt on Abu Bakr in recent months. Villages at Bidya have accused him of mediating land sales with the Israelis.

#### **TALKS WITH ISRAEL'S NEIGHBORS ARE ONLY PATH TO PEACE, U.S. AFFIRMS**

**By David Friedman**

WASHINGTON, Aug. 8 (JTA) -- The State Department reiterated Monday the U.S. position that the future of the West Bank and the Gaza Strip can only be decided by Israel and its Arab neighbors.

But department spokeswoman Phyllis Oakley had no comment on a statement made Sunday by King Hussein of Jordan that while his nation would participate in any peace negotiations with Israel, it would not do so as part of a joint Jordanian-Palestinian delegation.

Hussein, who has taken a series of steps to sever Jordan's ties with the West Bank, said at a news conference in Amman that he will never again speak on behalf of the Palestinians, because they and the other Arab countries had decided that the Palestine Liberation Organization is "the sole legitimate representative of the Palestinian people."

Only last week, the State Department repeated its position that the best way for the Palestinians to participate in negotiations with Israel is as part of a joint delegation with Jordan.

Oakley also had no direct comment on a Palestinian document revealed by Israel over the weekend outlining proposals for an independent state. The document was seized from the Arab Studies Institute in Jerusalem when its director, Faisal al-Husseini, was arrested last month.

The disclosure came as the PLO was discussing setting up a government in exile to take over the administrative and legal functions abandoned by Hussein.

"Our position on the future of the occupied territories remains the same," Oakley said Monday. "We do not support either the creation of an independent Palestinian state or the unilateral annexation of the occupied territories by Israel. Final status of these territories must be decided through negotiations."

The new situation in the Arab-Israel conflict was evolving as Richard Murphy, assistant secretary of state for Near Eastern and South Asian affairs, was in the Middle East, for what he publicly maintained was another effort to move the peace process ahead.

#### **TWO INJURED IN TEL AVIV LABOR SCUFFLE**

**By Hugh Orgel**

TEL AVIV, Aug. 8 (JTA) -- Two policemen were injured and several workers were detained here Sunday in a violent demonstration by employees of the struggling Kitan textile plant in Beit She'an. The confrontation occurred outside the company's head office in the Hadar Yosef section of Tel Aviv.

**SARA LEE SETTLES BOYCOTT CASE  
BY AGREEING TO PAY \$725,000**  
By Andrew Silow Carroll

NEW YORK, Aug. 8 (JTA) -- The Chicago-based Sara Lee corporation has agreed to pay a \$725,000 penalty in order to settle charges that it violated U.S. anti-boycott laws.

If approved by a federal administrative law judge, the settlement would be the second largest in the 10-year history of the Export Administration Act. The act prohibits American firms from cooperating with, among other boycotts, the Arab boycott of Israeli goods and services.

The corporation faced a potential penalty of \$2.35 million.

The highest penalty, \$995,000, was paid earlier this year by the Oakland-based Safeway supermarket chain, in connection with its supply of products to supermarket chains in Saudi Arabia and Kuwait.

Sara Lee was not charged with boycotting Israel or Israeli firms, but with "furthering the boycott" with information it supplied during company efforts in 1982 to register the corporation's L'Eggs trademark in Kuwait and other Arab countries.

"The penalty was appropriate to the magnitude of the alleged violations and an important symbol of how seriously the department takes its responsibilities under the anti-boycott provisions" of the Export Administration Act, Paul Freedenburg, undersecretary of commerce for export administration said in a statement.

Despite the settlement, Sara Lee maintains that it did not participate in any boycott action against Israel.

"This settlement does not constitute either a determination of guilt or an admission by the company of any violation of the law," Gordon Newman, senior vice president and general counsel of Sara Lee, said in a statement.

**Not 'An Action Against Israel'**

"If we furnished certain information in an effort to protect our company's trademark overseas, it certainly was not done as an action against Israel, where we have active and ongoing business relationships," he said.

According to Newman, Sara Lee and its subsidiaries strongly oppose the Arab boycott, and have been blacklisted by the Arab states for several years.

But according to Will Maslow, general counsel of the American Jewish Congress and editor of its "Boycott Report" newsletter, Sara Lee's offer of a settlement is the "equivalent of a plea of 'nolo contendere' -- they're not willing to contest the charges.

"Companies don't settle unless there is some indication that they will be punished if they go to a hearing," he said.

According to Maslow, no company has defeated the Office of Anti-Boycott Compliance, which enforces the Export Administration Act, after it issued charges of anti-boycott violation. He credited the caution with which the office prepares its charges.

According to a charging letter issued Nov. 19, the compliance office alleged that Sara Lee provided 235 items of boycott-related information to Kuwait and other countries. Of the 235 allegations, each subject to a \$10,000 fine, 229 were based on two documents, on which Sara Lee listed the names and nationalities of 39 corporate

officers or board members and the names of its 190 subsidiaries.

According to Newman, the corporation provided only "already-public information."

Sara Lee, which manufactures and markets food and consumer products internationally, was founded in 1939 by the late Nathan Cummings, who was Jewish. Also Jewish was Charles Lubin, who founded the corporation's "Kitchens of Sara Lee" division. Lubin died last month.

**REVISED U.S. ARMS SALE TO KUWAIT  
GOES THROUGH, AS DEADLINE PASSES**  
By David Friedman

WASHINGTON, Aug. 8 (JTA) -- The Reagan administration said Monday it was "pleased" that its proposed \$1.9 billion arms sale can now go ahead, since the 30-day period by which Congress could have blocked the sale expired Sunday.

State Department spokeswoman Phyllis Oakley said that Kuwait has accepted the compromise reached between the administration and Congress. The compromise eliminated 100 Maverick "D" missiles from the arms package, while increasing the number of Maverick "G" missiles from 200 to 300.

"The sale will provide an enhanced air capability which meets the Kuwaitis' long-term requirements," Oakley said.

The arms package also includes 40 F/A-18 fighter planes, 200 Sparrow missiles, 120 Sidewinder missiles, 40 Harpoon missiles, 400 laser-guided bombs and 200 cluster bombs.

The administration had pressed the sale because of the threat to Kuwait from neighboring Iran. But many in Congress opposed the sale, particularly because they feared the anti-tank Maverick "D" missiles posed a potential threat to Israel.

The compromise, eliminating this missile, was reached at a White House meeting July 29, attended by Lt. Col. Colin Powell, President Reagan's national security adviser, and other administration officials, members of Congress and representatives of AIPAC, the American Israel Public Affairs Committee.

Secretary of State George Shultz also signed a "letter of assurance" that prohibits Kuwait from acquiring equipment to give the F/A-18s air refueling capability and forbids it from transferring the military equipment to any other country.

**COURT WON'T CUT OFF LIFE SUPPORT  
FOR ISRAELI BABY WITH TAY-SACHS**  
By Hugh Orgel

TEL AVIV, Aug. 8 (JTA) -- The Tel Aviv district court rejected on Monday an appeal by the mother of a baby suffering from Tay-Sachs disease to order the hospital to remove her child's life-support equipment.

Talila Shefer, mother of 32-month-old Yael, had appealed to the court to order the Sieff Hospital in Safed to remove the equipment keeping the baby alive, and allow her to die quickly.

Shefer's attorney, Yitzhak Hoshen, who is chairman of the Israel Euthanasia Society, said he would immediately appeal the ruling to the High Court of Justice, Israel's supreme court.

Tay-Sachs is a genetic disorder that mostly strikes Jews of Ashkenazic origins. The disease invariably kills before the child reaches the age of 3. Yael is blind, cannot eat or function in any manner without outside support equipment.

## TALKS AIMED AT ACHIEVING TABA COMPROMISE BEGIN IN CAIRO

By Gil Sedan

JERUSALEM, Aug. 8 (JTA) -- Israeli and Egyptian officials began talks Monday in Cairo to try to resolve by compromise the disputed territory of Taba.

The fate of Taba, the tiny beachfront strip on the Red Sea south of Eilat, is now in the hands of both an international arbitration panel in Geneva and the Israeli-Egyptian parties themselves.

Decision-making on the land, which includes an Israeli luxury hotel and a resort village, can be reached by either a process of arbitration, as is occurring in Geneva, or by compromise between the two parties.

It is believed that international arbitration will result in a gain for Egypt and a major loss for Israel, including criticism of Israel for its behavior in the dispute. The team of Israeli negotiators is trying to forestall the anticipated finding in Egypt's favor. That decision is due in September.

Egypt has offered Israel free access to the resort properties it developed, including ownership of the Sonesta Hotel, should Egypt be granted the territory. Prime Minister Yitzhak Shamir has rebuffed that offer.

Israel's prospects in the Geneva negotiations look bad, because, according to reports here, the arbitrators will rule that the 1922 border established by the British Mandate is the legal international border between Israel and Egypt. This border was in effect until the 1967 Six-Day War.

According to the Israeli-Egyptian peace treaty, inked in March 1979, Israel must withdraw to the international border.

Shortly after the treaty was signed, the Israeli government authorized the building of the Sonesta Hotel, which turned the insignificant area of about two square miles into a disputed territory and a source of friction between the two countries.

The Israeli negotiating team is headed by Yossi Ben-Aharon, director general of the Prime Minister's Office. The team was scheduled to meet Tuesday with Egyptian Foreign Minister Esmat Abdel Meguid.

On Sunday, Professor Shimon Shamir, Israel's new ambassador to Cairo, met with Meguid to try to advance an understanding on the thorny issue.

The Egyptian daily Al-Gumhuriya reported that Egypt has already made preparations to turn Taba into its own resort town, once the area is returned to Egyptian sovereignty.

## ITALIAN POLICE ARREST MAN CHARGED WITH WAR CRIMES AT CZECH CAMPS

By Ruth E. Gruber

ROME, Aug. 8 (JTA) -- Italian police last week arrested Nazi war criminal Anton Malloth, who has been sought by West German authorities for murder and torture of concentration camp prisoners.

Malloth, 76, was apprehended at the home of his wife and daughter in the northern Italian town of Merano, near the village where he grew up.

Malloth spent five years as an officer in the concentration camps of Litomerice and Terezin, in Czechoslovakia. In 1948, a Czech court sentenced Malloth to death in absentia for murdering one

prisoner and torturing others.

Although born in Innsbruck, Austria, Malloth grew up in the South Tyrol province of Italy, known as Alto Adige, a province which belonged to Austria prior to World War I. To this day, the dominant ethnic group of this province is Austrian, and German is its mother tongue.

In 1939, Italian dictator Benito Mussolini forced the province's inhabitants to choose either Italian or German citizenship. Like thousands of his compatriots, Malloth chose German, and then joined Hitler's Wehrmacht. He subsequently became a marshal in the SS.

Malloth was expelled at least twice from Italy, but was able to re-enter the country numerous times, including in 1948, when he received the Czech death sentence. Malloth requested and received Italian citizenship at the time.

"I've been here many times," Malloth told Italian reporters. "I've been able to make a living working for local farmers or in local restaurants."

Malloth was stripped of his Italian citizenship in 1956 because of his war record. He then obtained West German citizenship.

In 1972, West German authorities issued an arrest warrant for Malloth's arrest.

In 1983, he was located in Merano by Nazi-hunter Simon Wiesenthal, who said last week that West Germany would certainly seek Malloth's extradition.

## SWISS CLOSE NEO-NAZI YOUTH CAMP

By Tamar Levy

GENEVA, Aug. 8 (JTA) -- Swiss authorities have ordered the closing of a neo-Nazi camp for boys and girls that was thriving in the Alps.

The camp, located in Scelsberg, had been operated by The Young Vikings, one of the most active neo-Nazi groups in Europe.

The Young Vikings consider themselves followers of the Hitler Youth, which was founded on July 4, 1926, years before Nazism was generally perceived as dangerous.

The leader of the Swiss affiliate had rented the camp's location from a local farmer, allegedly saying the youth were boy scouts. They paid about \$200 for the rent.

The boys in the group wear brown shirts, the girls blue uniforms. Every morning, the youth raised the Nazi flag with its swastika and sang Nazi songs. Young "Vikings" with knives stood near the entrance to prohibit any non-member from entering the compound.

Swiss police said they had expelled the group from Switzerland and registered the members to prevent their future return to Switzerland. The Swiss had learned about the camp in an article in the Zurich newspaper *Wochenzeitung*.

The camp incident is not Switzerland's first. Another neo-Nazi summer camp was held near Lake Constance on the German-Swiss border earlier this summer. It was disbanded before police could act.

## SWISS JEWISH CEMETERY DESECRATED

GENEVA, Aug. 8 (JTA) -- Eighteen tombs in the Jewish cemetery of Basel were desecrated some time during the night of Aug. 2-3.

Jewish community president Jean-Pierre Bloc lodged a criminal complaint with local police, who claimed anyone could easily have crossed into the border town, which flanks France and West Germany.