

**U.S. TAKES ISSUE WITH ARAFAT FOR THREATENING PALESTINIANS**  
By David Friedman

WASHINGTON, Jan. 18 (JTA) -- The government said Wednesday it considers a New Year's Day statement by Palestine Liberation Organization chief Yasir Arafat to be a threat against Palestinians who seek reconciliation with Israel.

But State Department spokesman Charles Redman left unclear whether the United States believes that the threat was specifically aimed at the life of Mayor Elias Freij of Bethlehem.

Redman said the State Department has obtained a tape of Arafat's Jan. 1 speech to Palestinians in Saudi Arabia.

He quoted the PLO leader as saying: "Whoever thinks of stopping the intifada before it achieves its goals, I will give him 10 bullets in the chest."

The United States has made it clear to Arafat that "this threat is inconsistent with Arafat's Dec. 14 renunciation of terrorism" and the subsequent U.S. decision to open a dialogue with the PLO, Redman said.

But, he added, Arafat denies he intended any threat against Freij.

The West Bank mayor told an Israeli newspaper in late December that he supported a United Nations-supervised truce for the territories. But Freij withdrew his proposal Jan. 3, on the grounds that the PLO was opposed.

Israeli officials immediately charged that Arafat's remarks were a thinly veiled threat against Freij.

Secretary of State George Shultz also said at the time that if Arafat's remarks were quoted accurately, then it fit "very badly" with his renunciation of terrorism.

Redman said Wednesday that the tape proved that the "secretary's remarks were accurate."

He also maintained Wednesday that the State Department has not received a request from Arafat for a visa to address the American-Arab Anti-Discrimination's annual convention in Washington on April 13.

Asked what he would do about an Arafat visa request, Secretary of State-designate James Baker III said he could not give an immediate answer.

**BUSH EXPECTED TO FOLLOW REAGAN'S FOREIGN POLICY LINE ON MIDDLE EAST**  
By David Friedman

WASHINGTON, Jan. 18 (JTA) -- George Bush, who will be inaugurated as president Friday, is expected to continue the Reagan administration's basic foreign policy line in the Middle East.

At least this is what Secretary of State-designate James Baker III appeared to imply during confirmation hearings Tuesday and Wednesday before the Senate Foreign Relations Committee.

When Sen. Rudy Boschwitz (R-Minn.) made this appraisal, Baker agreed, with a caveat.

"Generally speaking I think that's correct," Baker said, "although this administration will of course feel free to supplement and modify those parts as the circumstances might require."

Baker also told Boschwitz he would not change two U.S. policies: that Jerusalem must remain undivided and that Israel does not have to return to its pre-1967 borders.

In a part of his prepared opening statement to the committee, which he read Tuesday, Baker outlined a continuation of the basic Reagan policy in the Middle East.

"As President-elect Bush has described it, we have a solid consensus on the objectives and means of making peace between Israel and her Arab neighbors," Baker said.

"These include the purpose of the negotiations, which is above all a just, enduring peace that ensures Israel's security and satisfies the legitimate rights of the Palestinians."

Baker said the administration will advocate "direct negotiations based on U.N. (Security Council) Resolutions 242 and 338, which include the exchange of territory for peace."

"Realistically, Jordan must play a part in any agreement," he said. "The Palestinians must participate in the determination of their own future."

**Two Reassuring Appointments**

Baker told the committee that the Bush administration will oppose a separate Palestinian state. Under questioning, he said that the final status of the West Bank and Gaza Strip will have to be determined by the parties themselves through direct negotiations.

But he indicated support for "some sort of confederation with Jordan," adding that there would first have to be a transitional stage.

The Bush administration also will support an international conference if it is structured right and would lead the way to direct negotiations, Baker said.

He expressed support for the Reagan administration's decision to open a dialogue with the Palestine Liberation Organization and said that he would continue the policy that the only channel for such talks is the U.S. ambassador in Tunisia, currently Robert Pelletreau.

Baker said one purpose of the talks is to ensure that the PLO does not resume terrorism. The other is to "see if the dialogue could facilitate a move toward direct negotiations," Baker said.

Perhaps more reassuring to supporters of Israel than Baker's statements were the appointments by Bush of two key aides to the new secretary of state: Lawrence Eagleburger as deputy secretary of state and Dennis Ross as director of the policy planning staff.

Ross, who is Jewish and an expert in Middle East and Soviet affairs, served two years on the National Security Council staff before becoming Bush's senior foreign affairs adviser for his presidential campaign.

Eagleburger was undersecretary of state for political affairs, the third-ranking post in the State Department, until 1984, when he retired after 27 years in the Foreign Service.

Like Brent Scowcroft, whom Bush has named as national security adviser, Eagleburger was closely associated with former Secretary of State Henry Kissinger and has been president of Kissinger Associates Inc., a consulting firm, since

leaving the government.

Ross was associated with the pro-Israel Washington Institute for Near East Policy. Eagleburger, along with former Vice President Walter Mondale, was co-chairman of a bipartisan study by the institute on U.S. strategy for the Middle East, "Building for Peace."

### Focus On Human Rights

The study urged the next president to work immediately on controlling the arms race in the Middle East, particularly the spread of ballistic missiles and chemical weapons.

"The issues of chemical weapons and ballistic missile proliferation compel our attention," Baker told the Senate committee this week.

Baker also said that the Bush administration would continue to press the Soviet Union for improvements in human rights. He indicated to the committee Wednesday that the Bush administration would continue the Reagan administration's practice of bringing up human rights as the first item on the agenda in its meetings with Soviet officials.

Baker said he "was not involved in the decision" by the Reagan administration to attend a human rights conference in Moscow in 1991, which some Jewish groups criticized as an unwarranted concession to the Soviets.

He said that while he is "impressed by the changes that are taking place" in the Soviet Union, U.S. participation in the Moscow conference will depend on additional progress in human rights, including the reforms in Soviet law promised by Soviet officials.

Baker also said that once he takes office he plans to spend "a fair amount of time and attention" on the issue of the increasing numbers of emigrants from the Soviet Union, both as to increasing the quotas for refugees and the need to provide additional funds for this flow.

(JTA correspondent Howard Rosenberg in Washington contributed to this report.)

### **SAN FRANCISCO IS FIRST TO LAUNCH SEPARATE DRIVE FOR RESETTLEMENT**

By Andrew Silow Carroll

NEW YORK, Jan. 18 (JTA) — San Francisco's Jewish federation has become the first to announce a separate fund-raising campaign to meet the costs of sharply increased Soviet emigration.

The Bay area's Jewish Community Federation moved this week to mount a \$2.7 million Soviet resettlement drive above its combined annual campaign of \$20 million, the Northern California Jewish Bulletin reported.

San Francisco is one of seven U.S. communities hardest hit by the largest wave of Soviet Jewish emigration to the United States in nine years. The others are Boston, Chicago, Los Angeles, New York, Philadelphia and the North Shore communities of Massachusetts.

For weeks federation leaders in those cities have been petitioning leaders of the United Jewish Appeal and Council of Jewish Federation to come up with a nationwide strategy for dealing with the high costs of resettling as many as 35,000 Soviet Jews who are expected to be allowed out of the Soviet Union in 1989.

Rabbi Brian Lurie, executive director of the San Francisco federation, told the Jewish Bulletin that the federation is already facing a deficit of \$500,000 because of the refugee influx. He said their needs are too pressing to wait for a deci-

sion to mount a national drive.

UJA and CJF officials stress that a separate campaign is only one of a number of ideas being discussed to meet resettlement costs.

Carmi Schwartz, executive vice president of CJF, said the federations and UJA have been "working on a multi-pronged, comprehensive program, including serious cost reductions for resettlement domestically and in terms of care and maintenance overseas."

Schwartz said the federations are exploring the possibility of offering some aid to arriving immigrants in the form of a loan, rather than an outright grant. Plans with UJA for a "global, comprehensive" fund-raising campaign are only in the "developmental process," he said.

### Exploring Separate UJA Drive

A UJA spokesman said, "We are exploring the advisability of a special campaign."

In 173 federated communities, UJA and federation campaigns are run jointly, and the monies raised are divided between local and overseas needs.

San Francisco is the only one of the seven hardest-hit cities to announce a special campaign.

In Los Angeles, however, major donors are being asked to supplement their annual gifts on behalf of resettlement, according to Wayne Feinstein, executive vice president of the Jewish Federation Council.

The Los Angeles federation has also cut back allocations for other local needs by 8 percent, in anticipation of the arrival of 3,500 to 4,500 Soviet Jews and hundreds of Iranian Jews.

In New York, where 48 percent of Soviet Jews coming to the United States resettle, the UJA-Federation board of directors will meet Thursday to plot strategy, but no decision is expected until mid-February, according to a spokesperson.

The Combined Jewish Philanthropies of Greater Boston is "waiting for a national planning effort," Barry Shrage, executive vice president, said in a telephone interview. "We're very hopeful about being part of a national effort."

Federation leaders say there are precedents for a special national campaign, most recently in 1984 and 1985, when Jewish communities raised \$60 million for the resettlement in Israel of Ethiopian Jews.

### Ambivalence Because Of Aliyah

But a drive on behalf of resettlement in the United States could face opposition from fund-raisers who have long placed Israel at the center of their efforts.

In addition, American Jewish leaders feel a responsibility to combat a high "dropout" rate by Soviet Jews, 90 percent of whom choose to live in the United States and countries other than Israel.

There may also be objections to the effect of a separate campaign on the annual UJA campaign, although proponents say special campaigns have traditionally increased the "total commitment" of individual donors.

The American fund-raising tradition of aiding refugees is also expected to be a powerful argument for a special campaign.

After spending years advocating on behalf of Soviet Jews, the present exodus is "a miracle and a wonderful opportunity," said the spokesperson for UJA-Federation in New York. "This is a major problem in terms of funds, but an opportunity and a mitzvah."

## U.S. WARNS ABOUT BIOLOGICAL ARMS, BUT WON'T CONFIRM IRAQ HAS THEM

By David Friedman

WASHINGTON, Jan. 18 (JTA) -- The State Department expressed concern Wednesday that some countries are developing biological weapons. But officials refused to confirm that one of them is Iraq.

"We do believe that some nations are at work on a biological warfare capability," department spokesman Charles Redman said. "I can't identify them further for intelligence reasons."

Redman was reacting to an ABC-TV news report Tuesday evening that Iraq is producing and stockpiling biological weapons that can spread typhoid, cholera and anthrax.

Israel has asked the United States to tell Iraq that unless this is stopped, Israel will destroy the plant that is producing them, ABC said. The network said the plant is believed to be located south of Baghdad.

"The United States is very concerned about the spread of this particularly horrible form of warfare in the world," Redman said. "Regardless of what countries are involved, we call upon all nations to comply with the international agreements banning these weapons," he said.

Redman said there are two international agreements involved, which most countries, including Iraq, have signed.

The first is the 1925 Geneva Protocol, which bans biological as well as chemical warfare, he said. The second is a 1972 agreement which bans "the development, production, stockpiling or transfer of biological weapons."

## RABIN DEFENDS 'GET TOUGH' POLICY TO HAIL OF CRITICISM IN KNESSET

By Gil Sedan

JERUSALEM, Jan. 18 (JTA) -- Defense Minister Yitzhak Rabin, caught in a cross fire of criticism in the Knesset on Wednesday, delivered an impassioned defense of his latest "get tough" policies, aimed at suppressing the 13-month-old Palestinian uprising.

But he cut short his speech and stalked angrily from the podium when, after warning Palestinian rock-throwers that they will "suffer," a left-wing opposition member shouted back, "So will we."

Rabin spoke for the government against eight opposition motions of no confidence, all of which were easily defeated.

He linked the uprising, which the Palestinians call the intifada, to "the overall menace to the security of Israel" from outside.

In that connection, he claimed that four Arab countries were manufacturing "advanced chemical weapons, which are only designed against Israel."

He insisted that the minimum goal of the uprising is to push Israel out of all of the territories and East Jerusalem.

Even as the Knesset met, rioting continued in the West Bank, Gaza Strip and East Jerusalem. But it was on a smaller scale than in recent days, which have witnessed an upsurge in Arab fatalities.

Two Palestinians were reported wounded in clashes in Hebron. A bus from Ramallah carrying Arab day workers to jobs in Israel was hit by a gasoline bomb. The driver and one passenger were injured.

The West Bank civil administration closed all schools in Ramallah, El-Bireh, Jenin and Kalkilya. Police ordered a girls school in East Jerusalem closed for a month. They arrested eight demonstrators.

The sharp divisions in the Knesset are along ideological lines. They reflect mounting frustration over the inability to end the uprising.

The right wing demands harsher measures. The left insists the Israel Defense Force response has been inhumane and counterproductive. It urges a political settlement.

Yossi Sarid of the Citizens Rights Movement deplored the daily casualties.

In 13 months of the intifada, 90 children have been killed, he said. "Even dead children ask questions."

"Why do they say rubber bullets do not kill and yet we are dead?" Sarid asked rhetorically. "This policy is not only killing Palestinians, but also the souls of Israeli soldiers."

He demanded that Rabin resign "for the sake of our future and our common destiny."

Geula Cohen of the right-wing Tehiya party, said her no-confidence motion was directed less at Rabin than at Prime Minister Yitzhak Shamir. She charged that Shamir has joined "the club of those who are willing to give up parts of Eretz Yisrael," a phrase referring to the biblical Land of Israel.

Rehavam Ze'evi of the extremist Moledet party, which favors transferring the Arab population outside of Israel and the territories, charged that the government is not tough enough.

"Children and teen-agers are running wild in the villages and on the roads," he said. "For them it's a festival; for us, a continuous Yom Kippur."

## IDF WIDENS USE OF PLASTIC BULLETS, PLANS TO INTRODUCE RUBBER BULLETS

By Hugh Orgel

TEL AVIV, Jan. 18 (JTA) -- The defense establishment is experimenting with a new type of rubber bullet, which it hopes will stop rock-throwers without the often severe casualties caused by plastic bullets.

Davar quoted a senior military source Wednesday as saying the new rubber bullets would be issued to the Israel Defense Force in about a month.

They are adapted for use in a regular rifle without special equipment, have a longer range and hit harder, the newspaper reported.

Meanwhile, the IDF has authorized non-commissioned officers to fire plastic bullets in confrontations with rock-throwers.

Ha'aretz quoted the IDF chief of staff, Lt. Gen. Dan Shomron, as saying the purpose is to have at least one soldier authorized to use plastic bullets in every patrol or lookout.

He said that Palestinian youths have learned that IDF soldiers do not fire plastic bullets if no commissioned officer is present. They have taken advantage of that situation.

But IDF soldiers were widely quoted by the news media Tuesday as telling Prime Minister Yitzhak Shamir that regulations restricting the use of bullets are regularly disobeyed in the field.

In Washington, the State Department on Wednesday called Israel's decision to give soldiers greater leeway to fire on Palestinian rock-throwers "disturbing." It said it opposed "the use of lethal force in nonlife-threatening situations."

## COMPENSATION FOR SINAI INCIDENT TO BE PRESSED AT TALKS ON TABA

By Hagit Orgel

TEL AVIV, Jan. 18 (JTA) -- Israeli and Egyptian teams will begin their final round of talks on the future of Taba Thursday. But a successful outcome will depend in large measure on the resolution of another dispute with the Egyptians.

It concerns the amount of compensation Cairo is willing to pay the families of six Israeli tourists gunned down in October 1985 by a demented Egyptian policeman at Ras Burka, in Sinai.

While the Israeli Cabinet, with the exception of Industry and Trade Minister Ariel Sharon, agreed Wednesday not to link the Taba talks with the Ras Burka incident, it could prove a stumbling block if Egypt's offer of compensation is unsatisfactory.

Cairo is expected to announce its offer Jan. 29. The Israelis insist on compensation commensurate with "acceptable international standards."

The Egyptians are inclined to adhere to standards prevalent in Egypt, which the Israelis say would be an insult to the bereaved families and the general public.

Abraham Sofaer, legal adviser to the U.S. State Department, told Foreign Minister Moshe Arens Tuesday that after meeting with Egyptian officials in Cairo he feels there is room for "cautious optimism" that the Ras Burka dispute will be settled amicably.

Taba, a tiny strip of beach near the Israeli resort town of Eilat, was awarded to Egypt by international arbitration last year.

While Israel has accepted the decision, which is binding under international law, several issues have yet to be resolved.

### Free Access And Ownership

These include free access for Israeli tourists to Taba, without passports or visas, and a continuing Israeli interest in the Avia Sonesta, a luxury hotel built by Israelis on the Taba beach some years ago.

Egyptian law requires Egyptian ownership of the hotel. The outgoing Israeli owners are reported near an agreement with the Egyptians to purchase a 49 percent interest, with possible loans from the United States and the World Bank.

Egypt would hold the remaining 51 percent interest in the hotel. The Israelis find this preferable to total Egyptian ownership. They fear that Cairo might open a casino at the hotel that would draw tourists away from Eilat.

All of these questions are on the agenda of the talks, which open at the Avia Sonesta Thursday and are to continue for two days next week.

Although the overriding issue of sovereignty was determined by arbitration last year, both countries are sending fairly high-level negotiators to the final talks.

The Israeli team will be headed by Reuven Merhav, director general of the Foreign Ministry. It includes the assistant director general, Yitzhak Lior; legal adviser Robbie Sabel; Nimrod Barkan, head of the ministry's Egyptian desk; and spokesman Alon Liel. An Israel Defense Force liaison unit is part of the Israeli delegation.

The 10-member Egyptian delegation will be led by the Egyptian ambassador to the United Nations in Geneva, Nabil el-Arabi.

A six-member U.S. delegation, led by Sofaer, will attend the talks as observers.

## WEST GERMAN POSTAL AUTHORITIES OK NEO-NAZI JUNK MAIL CAMPAIGN

By David Kantor

BONN, Jan. 18 (JTA) -- West Germany's largest neo-Nazi organization has launched a nationwide propaganda outreach via a junk mail campaign, and postal authorities say there is nothing they can do to stop it.

Protests against delivering the mail, initially from mail carriers in Kiel who refused to deliver the material, have now spread to the postal workers union.

Bundestag member Arne Boernsen of the opposition Social Democratic Party promised to initiate a parliamentary debate on the matter.

A spokeswoman for the postal service said it is bound by law to deliver the mail regardless of its content.

The controversy first surfaced several weeks ago, when the junk mail campaign was started by Gerhard Frey, a Munich-based publisher and longtime neo-Nazi activist.

Frey began mass mailings to recruit new members for his German People's Union, the biggest neo-Nazi party with a membership of about 12,000.

Frey, who also publishes the neo-Nazi weekly "German National Newspaper," has mailed about 28 million letters all over the country.

Postal authorities say that after careful study, they concluded that Frey violated no laws.

"Beyond protests," the spokeswoman said, "there is nothing we can do."

## SECOND BELGIAN SHIPPING EXECUTIVE ARRESTED OVER CHEMICALS TO LIBYA

By Yossi Lempkowicz

BRUSSELS, Jan. 18 (JTA) -- A second shipping executive was arrested Monday on charges of falsifying documents to conceal the delivery of construction materials and chemical products to Libya.

The government, meanwhile, announced restrictions on the export of chemicals to several countries. The countries were not named, but Libya presumably is on the list.

The authorities acted after Bonn admitted that West German companies might have helped build a chemical plant at Rabta, south of the Libyan capital of Tripoli, which the United States said is producing poison gas.

Last Thursday, police arrested Louis Gedopt, 44, director general of the Antwerp-based Cross Link Shipping Co. He is suspected of having contacts with the German firms trading to Libya.

Gedopt has been charged with falsifying cargo manifests for several European firms that tried to circumvent restrictions on the export of "sensitive substances" to Libya.

The shipping executive arrested Monday on similar charges was not immediately identified.

## BOMB SCARE AT LONDON EMBASSY

LONDON, Jan. 18 (JTA) -- The Israel Embassy received an explosive device in the mail Monday, triggering a bomb scare in the Jewish community.

Its representative body, the Board of Deputies of British Jews, has issued an alert for suspicious-looking letters and packages.

The device sent to the embassy was safely defused by Scotland Yard's anti-terrorist squad.