

SHAMIR REVEALS PEACE PLAN, RULES OUT PALESTINIAN STATE

By Edwin Eytan

PARIS, Jan. 31 (JTA) -- Israeli Prime Minister Yitzhak Shamir has offered a preview of his long-awaited peace plan. It is based on the premise that "a Palestinian state is unimaginable."

Shamir outlined his peace scenario and expressed strongly held views in a remarkably candid interview published Tuesday in the French daily *Le Monde*.

He is expected to present his peace plan to President Francois Mitterrand of France, when he visits Paris next month, and to President George Bush in Washington, on his visit there in March.

Shamir ruled out unconditionally Israeli negotiations with the Palestine Liberation Organization.

He said the Palestinians "will never have a Palestinian state -- they will not have it through negotiations nor by force. A Palestinian state is unimaginable. It will never happen," he told *Le Monde*.

What he does offer the Palestinians is a two-phased settlement. In the first phase, they will be granted what Shamir considers extensive and liberal autonomy for a period of unspecified but limited duration.

It would be followed by negotiations, without preconditions, over the future status of the West Bank and Gaza Strip. Shamir said the negotiations would seek a solution "acceptable to all parties."

He said it might include withdrawal of Israeli troops into specific security zones. That would be "a guarantee for Israel's security, but also a guarantee for the territories' autonomy," the prime minister said.

'Immediate Democratic Elections'

"If we reach an agreement in principle on two-phased negotiations, there will be immediate democratic elections to enable the Palestinians to be represented," Shamir said.

Asked if there was not a risk that PLO representatives might be elected, Shamir replied, "Yes, there is a risk, but to counterbalance such a risk there will remain Israeli troops in the territories, within the (security) zones."

"There will be no revolutionary change in the territories till we reach a definite solution," he said.

Shamir said Israel would have preferred to reach preliminary agreements with Jordan and Egypt.

"Reaching an agreement with even one of them would be sufficient, but as both refuse right now, we would accept reaching a two-phase agreement with the Palestinians, if we don't have to deal with the PLO," Shamir explained.

Shamir referred several times to the 1978 Camp David agreements as the basis for a settlement of the Arab-Israeli conflict.

His questioner, *Le Monde's* foreign editor, Jacques Amalric, and the paper's Israel correspondent, Alain Franchon, pointed out that both Shamir and Foreign Minister Moshe Arens had opposed Camp David and voted against the accords in the Knesset at the time.

Shamir admitted that "both Arens and I

were against. I was in favor of the peace treaty with Egypt, but I opposed a total withdrawal from Sinai and the evacuation of Yamit, which created a precedent that has caused trouble."

Yamit and its satellite settlements were built by Israel in northern Sinai. They were razed by the Israel Defense Force before the territory was handed back to Egypt.

Israel Driven To 'Despair'

Shamir characterized Israel's present diplomatic position as "grave." He said the American decision last month to open a dialogue with the PLO and President Mitterrand's plans to meet with PLO chief Yasir Arafat "drive Israel to despair."

"I don't think it is good for the international community to push Israel into a desperate (situation)," he said.

The prime minister stressed that Israel will never accept "an imposed solution. If we don't want an international conference, we simply will not go to an international conference," he said.

Shamir had high praise for the Middle East policies of the Reagan administration, and he said he hoped they would be continued by the administration of George Bush.

Reminded that it was Reagan's secretary of state, George Shultz, who decided on a dialogue with the PLO, Shamir replied, "Yes, but until that moment he had been excellent."

Asked what legacy he would like to leave for history, the 73-year-old Israeli leader said, "I think of peace, at least to enable it, and a reform of our electoral system to prevent us from becoming like France's Fourth Republic," which was marked by repeated changes of government.

SHARANSKY FAVORED TO BECOME ISRAELI AMBASSADOR TO THE U.N.

By Hugh Orgel

TEL AVIV, Jan. 31 (JTA) -- Natan Sharansky, the Soviet Jewry activist who spent 13 years in prisons and labor camps before he was allowed to leave the USSR three years ago, may be named Israel's next ambassador to the United Nations.

According to press reports Tuesday, he is the choice of Prime Minister Yitzhak Shamir, Foreign Minister Moshe Arens and Deputy Foreign Minister Binyamin Netanyahu, who was Israel's U.N. ambassador before quitting last year to run for the Knesset.

Sharansky reportedly was approached by the Likud leaders. He declined to comment, however, telling reporters he knew only what he read in the newspapers.

Although backed by Likud, his appointment would be subject to the consent of Labor Party leader Shimon Peres, under the terms of the Likud-Labor coalition agreement. Peres is vice premier and finance minister.

Sharansky's name is internationally known because of his long struggle for emigration rights and civil rights for Soviet Jews. His personal battle became symbolic of the plight of Jews generally in the Soviet Union.

He has not modified his deep-seated hostility toward the Soviet system since coming to Israel and has contended that the more liberal policies

of President Mikhail Gorbachev are a facade.

This has been a cause of unease among many Israelis, particularly on the left, at a time when relations with Moscow seem to be thawing.

They fear that Sharansky's freedom of action at the world organization may be compromised by his relentless criticism of Gorbachev and other Soviet leaders.

Sharansky is a mathematician by profession, specializing in cybernetics. Despite his lack of formal training in diplomacy, he could be an effective envoy for Israel.

He is a highly visible personality, popular with the world news media. Israeli journalists, in fact, complain that he has been more accessible to foreign correspondents than to them.

Sharansky, 40, was sentenced to 15 years in prison on trumped-up charges of espionage for the United States. He served 13 years before his release in an East-West "spy exchange" in February 1986.

His case had been kept before the world largely through the efforts of his wife, Avital, whom he married just before his arrest.

She settled in Israel, but frequently visited the United States and other Western countries, appealing to the public and national leaders to help secure her husband's release.

ABRAM SAID TO BE PICKED BY BUSH TO BE AMBASSADOR TO U.N. IN GENEVA By David Friedman

WASHINGTON, Jan. 31 (JTA) -- President Bush is expected to appoint Morris Abram, the former chairman of the Conference of Presidents of Major American Jewish Organizations, as the U.S. ambassador to the United Nations in Geneva.

But both the White House and the State Department said Tuesday that no official announcement has been made yet. The U.N. post is a presidential appointment that requires confirmation by the Senate.

Abram also could not be reached for comment.

The U.N. headquarters in Geneva houses such agencies as the U.N. Commission on Human Rights, the International Labor Organization and the World Health Organization.

The 70-year-old Abram, who recently stepped down as chairman of both the Conference of Presidents and the National Conference on Soviet Jewry, served as U.S. representative to the U.N. Commission on Human Rights from 1965 to 1968.

A Georgia-born lawyer now working in New York, Abram was president of the American Jewish Committee from 1963 to 1968 and president of Brandeis University from 1968 to 1970.

Abram also served as vice chairman of the U.S. Commission on Civil Rights and as chairman of a presidential commission on biomedical ethics.

HUNGARY SAYS IT PLANS TO RESTORE DIPLOMATIC RELATIONS WITH ISRAEL By Hugh Orgel

TEL AVIV, Jan. 31 (JTA) -- Prime Minister Miklos Nemeth of Hungary said Monday that his government intends to restore diplomatic relations with Israel within the next five months.

His remarks, in an Austrian television interview, were welcomed by Foreign Ministry officials here, who are waiting for an announcement of the date.

Nemeth said that Hungary was "of course, in

touch with Moscow, but does not need prior Soviet authorization for domestic and foreign policy decisions."

Sources here said once Hungary re-establishes ties with Israel, Poland can be expected to follow and other Eastern bloc nations then will gradually upgrade their level of diplomatic representation with Israel.

The entire Soviet bloc, except Romania, severed diplomatic relations with Israel during the 1967 Six-Day War.

But in recent years, a thaw has set in. The Soviet Union sent a consular delegation to Israel in the spring of 1987. Israel was allowed to send a consular delegation to Moscow last summer.

Israel and Poland opened interest sections in Warsaw and Tel Aviv respectively in 1987.

Hungary, meanwhile, has agreed to grant Hebrew the same status as other elective languages, such as Russian and English, taught at high schools in Budapest.

Hebrew Classes In High School

That was announced in New York by Dr. Jerry Hochbaum, executive vice president of the Memorial Foundation for Jewish Culture.

He said the first Hebrew courses would be given at selected high schools.

The instructors will be graduates of the Hungarian Center for Jewish Studies at the University of Budapest, the first center for Jewish studies in Eastern Europe.

Hochbaum also announced that permission was granted by the Rabbinical Seminary of Budapest -- also the only one of its kind in Eastern Europe -- to train not only rabbis but teachers to serve the needs of the Jewish community in Hungary.

Israel's outgoing civil defense chief, Brig. Gen. Aharon Vardi, attended a gala concert in Budapest Monday night for the benefit of the victims of last month's earthquake in Soviet Armenia.

Vardi headed an Israeli rescue team sent to the stricken area. He was invited by the Hungarians in recognition of his efforts.

Israel had a rare visitor from East Germany Tuesday. He is Kurt Loeffler, minister of religious affairs of the German Democratic Republic, who was in Jerusalem on a private visit.

He was invited by the Yad Vashem Holocaust Memorial and was received by the Israeli minister of religious affairs, Ze'evulun Hammer.

Two officials accompanying Loeffler were received at the Foreign Ministry Tuesday, even though East Germany has no diplomatic relations with Israel.

Officials hinted that Israel will not press East Germany to renew diplomatic contacts until the issue of reparations has been settled.

The East Germans, unlike West Germany, have long refused to assume responsibility for the atrocities of the Nazi era. But in October, the World Jewish Congress announced that the East Germans had agreed in principle to pay a symbolic sum as reparations. No payments have been made yet, however.

Yishayahu Anug, deputy director general of the Foreign Ministry, made clear that Israel has not dropped its demand for East German reparations to surviving Holocaust victims.

The reparations issue, and the lack of diplomatic ties, were the reasons given by Mayor Teddy Kollek of Jerusalem for refusing to meet with Loeffler.

PERES PRESENTS AUSTERITY BUDGET; CUTS IN JOBS AND WAGES EXPECTED

By Gil Sedan

JERUSALEM, Jan. 31 (JTA) -- Finance Minister Shimon Peres presented a \$30 billion budget to the Knesset Tuesday. It reflects the country's economic woes and means belt-tightening for most Israelis.

The budget is for the new fiscal year, which begins April 1. About 40 percent is earmarked to service foreign debts. Another 22 percent is for the military and police, leaving 38 percent for every other government activity and obligation.

Real wages are expected to decline and some 4,000 civil servants, about 10 percent of the government work force, will be laid off.

Peres said his goal is to bring inflation down to "European levels," as quickly as possible, by a closer linkage of wages to productivity, spending restraints and structural changes.

He said top priority would go toward increasing exports. He warned that excessive price increases would cancel out the recent devaluation of the shekel, which was intended to make Israeli products less expensive abroad.

The devaluation has accelerated inflation, which is running at about 18 percent, higher than last year.

But Bank of Israel and Treasury economists believe if the planned spending cuts are implemented, inflation will be down to single digits by June or July.

As in past years, the new budget is designed to reduce government costs by giving the public fewer services, while imposing new fees or increasing old ones.

In the coming year, Israelis will face higher education costs, fare increases on public transportation, higher water bills, a new tax on large cars, higher national insurance premiums and an increase in the cost of hospitalization.

The success of the new budget will depend in large measure on the extent of cooperation between the government and Histadrut, Israel's all-embracing trade union federation.

Peres is also likely to run into trouble with right-wingers because his budget provides no funding for the eight new settlements in the administered territories, agreed to by the Likud-Labor coalition when it was formed last month.

U.S. SAYS ALL SOVIET JEWS IN ROME FREE TO ENTER U.S.

By Howard Rosenberg

WASHINGTON, Jan. 31 (JTA) -- The Bush administration Tuesday affirmed its commitment to "freedom of choice" for Jews leaving the Soviet Union.

State Department spokesman Charles Redman also said there is no review under way of the U.S. position that Soviet Jews who emigrate on Israeli visas should be free to go somewhere else than Israel.

While noting that large numbers of Soviet Jews in Rome are waiting to enter the United States, Redman said that "no one is being stranded" there because U.S. immigration laws will not grant entry.

He explained that they can enter the United States in one of three ways: as refugees, as parolees or as regular immigrants. Since the beginning of the fiscal year in October, the United States has issued refugee status to 4,600

Soviet emigres and parole status to 198 others in Rome, he said.

Redman admitted that "there are delays of processing due to the unexpectedly large numbers of Soviets permitted to depart from the USSR."

But he also attributed the backlog in Rome to the decision by some immigrants denied refugee status to appeal those decisions. Instead, they could come to the United States without delay if they accepted the attorney general's parole status, he added.

HIAS, the Hebrew Immigrant Aid Society, has urged Soviet emigrants not to come to the United States under parole status, because it is difficult to obtain permanent U.S. citizenship via that route.

In addition, those who come under parole status are not entitled to the U.S. financial assistance for transportation and resettlement given to refugees.

HIAS believes that all Soviet Jews meet the U.S. government's test that refugees must have a "well-founded fear of persecution."

Redman did not comment directly on the denial of refugee status to some Soviet Jews. He said the Justice Department's Immigration and Naturalization Service, not the State Department, is responsible for applying U.S. law.

NEO-NAZI PARTY IN BERLIN TO BE REPRESENTED IN BUNDESTAG

By David Kantor

BONN, Jan. 31 (JTA) -- By virtue of its having won seats in the West Berlin legislature on Sunday, the neo-Nazi Republican Party will now also be represented in the Bundestag, West Germany's parliament.

That news added to the widely felt shock and dismay over the surprisingly strong showing of the far right-wing party, headed by a former SS officer, 66-year-old Franz Schoenhuber.

The Republicans won 7.5 percent of the popular vote in the West Berlin elections, giving them 11 seats in the 128-seat city parliament.

West Berlin is represented in the Bundestag by delegates chosen from its legislature, apportioned according to party strength.

That will give the Republicans two seats in the national parliament, although its constituency in the Federal Republic is minuscule.

The unexpected showing by the Republicans could pose a dilemma for the three Western occupying powers -- Britain, France and the United States -- which still formally administer West Berlin.

In the past, they have banned extreme right-wing parties, such as the National Democratic Party which enjoyed a brief ascendancy in the late 1960s.

Apparently the Allied powers had considered the Republicans to be of no consequence in city politics.

Their surprise election to the legislature triggered a fierce reaction. Some 10,000 protesters marched through the streets of West Berlin on Monday night carrying banners reading "Nazis Out" and "No More Fascism."

Many Jews were among the marchers who included moderates, leftists, trade unionists and students.

Heinz Galinski, chairman of West Germany's Jewish community, said Tuesday he was "disappointed and shocked" by the West Berlin election results.

TUTU SAYS HE AND ELIE WIESEL CAN 'MEDIATE' MIDEAST PEACE

By Andrew Silow Carroll

NEW YORK, Jan. 31 (JTA) -- In what he called his first public statements on the 14-month-old Palestinian uprising, South African Archbishop Desmond Tutu suggested that he and fellow Nobel Peace Prize laureate Elie Wiesel be asked to mediate the Palestinian-Israeli conflict.

Tutu, the first black Anglican archbishop of Cape Town and a leader of South Africa's anti-apartheid movement, said he had not consulted with Wiesel on his suggestion, nor thought out the details.

But he said he believed the idea to capitalize on the symbolic significance of the peace prize is "something that God is putting on me."

An assistant to Wiesel said Tuesday that the author and Holocaust survivor had not learned of Tutu's remarks and would not comment until he heard from the archbishop directly.

Tutu's suggestion was the climax of a 35-minute speech Monday night at the Stephen Wise Free Synagogue in Manhattan, where he was invited to receive the Reform congregation's George Brussel Jr. Award for his battle against South Africa's strict system of racial separation and discrimination.

The speech included the kinds of remarks that have made Tutu a controversial figure to Jews in the past: He criticized Israel for "collaborating" with South Africa's white leaders on security and "nuclear matters." And he said accounts of Israeli actions against Palestinian demonstrators "could be a description of what is happening in South Africa."

Not A 'Light Among Nations'

Tutu also repeated a charge, one he first made during a controversial speech to the Jewish Theological Seminary in November 1984, that Jews are too quick to label any criticism of Israel as anti-Semitic.

On the other hand, Tutu denounced anti-Semitism and thanked God that Israel came into being. He said Israel has a right to "territorial integrity" and condemned "all forms of terrorism from any source."

In a familiar approach, Tutu's criticism of Israel was couched in terms of "disappointment" that Jews had strayed from their God-given role to be "a light unto the nations." Much of his speech was dedicated to a celebration of that role, which he called a "precious gift" that God had given the world.

The diminutive Tutu, wearing a dark suit and bright purple shirt over his clerical collar, cut a charming and at times playful figure during the awards ceremony and speech.

He was warmly received by synagogue members, whose religious leader, Rabbi Balfour Brickner, has a long attachment to liberal causes.

Brickner introduced Tutu in an address condemning apartheid. He told the audience, which included many of New York's prominent black leaders, that he had invited Tutu not "because we want to send a message to black Americans. We are not in the message-sending business, but we're in the justice-building business."

In the next sentence, however, he urged blacks and Jews to continue their effort to lessen tensions between them.

Black-Jewish relations were also on the agenda during a private ceremony prior to Tutu's

appearance, where he accepted a Jewish institute's \$100,000 grant on behalf of a non-profit corporation called Medical Education for South African Blacks.

The grant was presented by the Marjorie Kovler Institute for Black-Jewish Relations, which is part of Reform Judaism's Religious Action Center on Washington.

The grant will finance the training of black South African medical workers. Peter Kovler, the Washington-based investor who founded the institute, said, "One way to strengthen black-Jewish ties in this country is to help the cause of blacks in south Africa."

In his speech, Tutu also addressed black-Jewish relations in this country, saying they will suffer until Israel "categorically repudiates" its ties with the South African government.

He said Israel had cooperated with South African authorities on "nuclear matters" and "techniques for suppressing uprisings."

"We blacks cannot understand how people with your kind of history (can) allow the government of Israel, as distinct from its people, to have the kind of relationship" it does with South Africa, Tutu said.

FORMER REAGAN LIAISON TO JEWS IS U.S. DELEGATE TO RIGHTS FORUM

By Tamar Levy

GENEVA, Jan. 31 (JTA) -- Marshall Breger, a former White House aide, will participate for the second successive year in the annual conference of the United Nations Human Rights Commission, which opened here Tuesday.

Breger was former President Reagan's adviser on Jewish affairs and served as the administration's liaison to the American Jewish community.

He is a member of the U.S. delegation to the Human Rights Commission, headed, again for the second year, by Armando Valladares, a Cuban exile poet.

Breger has always been an outspoken supporter of Israel. Palestinian rights and Israel's policies in the West Bank and Gaza Strip are the two top agenda items at this year's human rights conference.

Israel is not a member of the 43-nation Human Rights Commission, but has observer status at the conference.

Rafael Walden, counselor to the Israeli delegation, told the Jewish Telegraphic Agency that Israel will not bring up the subject of Soviet Jews at this conference, but will refer to the situation of Jews in Syria.

TEST-TUBE TRIPLETS BORN IN ISRAEL

By Hugh Orgel

TEL AVIV, Jan. 31 (JTA) -- A woman implanted with frozen embryos gave birth to triplets Monday, the second test-tube birth in Israel within 24 hours.

The 37-year-old mother from Rishon le-Zion thereby upstaged a woman from Ashkelon who bore twin boys from frozen embryos a day earlier.

The triplets, boys, were delivered by Caesarean section at Assaf Harofeh Hospital in Tzrifin. Their birth weights were 3.1, 3.3 and 3.7 pounds.

The woman, who has an 8-year-old son, was unable to conceive again and was treated for infertility. Her ova were removed, fertilized and stored in deep freeze until she was medically ready for implantation.