

**ARENS, SHEVARDNAZDE HOLD WARM TALKS,
PLAY DOWN DIFFERENCES ON MIDEAST**

By David Landau

JERUSALEM, Feb. 22 (JTA) -- Israel and the Soviet Union are "in the process of building a foundation of understanding," Israeli Foreign Minister Moshe Arens said in Cairo Wednesday after a meeting for more than three hours with his Soviet counterpart, Eduard Shevardnadze.

Both diplomats acknowledged that their discussion at the Soviet ambassador's residence did not resolve the wide substantive differences between their respective countries over the Middle East peace process.

They stressed to reporters, however, that theirs is an evolving dialogue, and they pledged to continue it on the ministerial level and the level of experts.

Both ministers gave the impression that such contacts could be expected soon. But it was not immediately clear when and where Israeli and Soviet experts would meet and what their mandate might be.

Arens returned to Jerusalem after the meeting, while Shevardnadze remained in the Egyptian capital for an evening session with Palestine Liberation Organization leader Yasir Arafat.

Moscow's warm relations with Arafat and its insistence that the PLO have a role in the Middle East peace process is fundamentally at odds with Israel's policy.

Arens and Shevardnadze chose not to dwell on their differences, but conveyed the sense that their talk was conducted in an atmosphere that was both businesslike and warm.

It was "an open, frank and honest dialogue," the Soviet foreign minister said, but it would be "naïve" to expect the two countries to reach agreement on all points.

Interest In Israeli Ideas

"Without goodwill on Israel's part, there can be no solution of the conflict," Shevardnadze observed. "That is one aspect of reality."

He added, significantly, that without the Soviet Union, there could be no peace process either.

Arens reiterated Israel's demand for direct talks with the Arabs. He cited as an example to be followed the Israeli-Egyptian peace treaty. The 10th anniversary of its signing in Washington will be observed on March 26.

Israeli correspondents reported from Cairo that the Soviets indicated privately that they could be flexible on their longstanding demand for an international peace conference with the participation of the PLO.

They seemed to show interest in Prime Minister Yitzhak Shamir's apparent readiness to accept a peace conference under the aegis of the two superpowers, the United States and the Soviet Union, the correspondents said.

They are also listening to proposals by some Israelis, notably Defense Minister Yitzhak Rabin, for local elections in the West Bank and Gaza Strip.

Arens and Shevardnadze met in Paris last month at an international conference on chemical weapons.

Arens was accompanied at their Cairo meeting by Deputy Foreign Minister Binyamin Netanyahu; Yeshayahu Anug, deputy director general of the Foreign Ministry; and Arye Levin, who heads the Israeli consular delegation that has been in Moscow since last summer.

**ABU IYAD PLEDGES PEACE WITH ISRAEL
IN VIDEOTAPED MESSAGE TO ISRAELIS**

By David Landau

JERUSALEM, Feb. 22 (JTA) -- A videotaped peace appeal to the Israeli people by a ranking member of the Palestine Liberation Organization was well received by prominent Israeli doves attending a peace symposium here Wednesday.

The message was taped in Tunis last week by the deputy chairman of the PLO, Salah Khalaf, also known as Abu Iyad.

He pledged total and final peace with Israel after the creation of a Palestinian state, and said the PLO was prepared to allay Israeli doubts and fears over its intentions.

He suggested these be dealt with at Israeli-PLO talks, held either openly or in secret, before an international peace conference convenes.

The symposium was organized by the International Center for Peace in the Middle East, a group headed by former Foreign Minister Abba Eban.

Abu Iyad's appeal drew positive responses from Labor Knesset member Arie Eliav, Yair Tsaban of Mapam and several other participants.

"There were clear and precise words," said Eliav. He said Abu Iyad gave firm assurances that the PLO no longer seeks the "piecemeal" eradication of the Jewish state.

He made it clear that after a peace agreement, "that is that," the Laborite dove declared.

Abu Iyad said the question of the Palestinian Covenant, which calls for Israel's destruction, could be discussed at Israeli-PLO talks.

The covenant has never been rescinded, though Palestinian representatives say it was abrogated de facto when the PLO announced its recognition of Israel.

Meanwhile, leading Peace Now activists left for Britain Wednesday to participate in a seminar at Oxford University over the weekend.

It will be attended by prominent PLO members, including Bassam Abu Sharif and Columbia University Professor Edward Said.

The Israeli group includes Dedi Zucker, a Knesset member for the Citizens Rights Movement; Haim Oron of Mapam; and Professor Yitzhak Galindor of the Hebrew University.

They said on their departure that they would carefully observe the Israeli law restricting meetings with PLO officials.

**SHAMIR GIVES FRANCE'S MITTERRAND
'MUCH FOOD FOR THOUGHT' ON MIDEAST**

By Edwin Eytan

PARIS, Feb. 22 (JTA) -- President Francois Mitterrand and Israeli Prime Minister Yitzhak Shamir remained firmly grounded in their respective, widely divergent positions on Middle East peace, following a two-and-a-half-hour meeting at the Elysee Palace on Wednesday.

Nevertheless, the atmosphere between them was described as "very friendly."

Mitterrand told Shamir as he left, "You gave me much food for thought." But a senior spokesman was quick to point out that it did not mean the French president has altered his views on the Middle East.

"France cannot avoid taking into consideration the latest developments, but will do nothing which could hurt Israel's interests," the spokesman said.

He was referring to changes in the position of the Palestine Liberation Organization. Israel insists no changes have taken place.

That was a major point of disagreement between Mitterrand and Shamir.

Force Can't End Uprising

The Israeli leader, who arrived Tuesday on a three-day "working visit," told reporters that he and Mitterrand had explained their respective views, each taking into consideration what the other had to say.

Mitterrand told Shamir that the PLO recognized Israel at the November 1988 meeting of the Palestine National Council in Algiers. He asked Israel to reciprocate and take a realistic approach.

The French president also stressed at several points in their conversation that "it is an illusion to think that force can put down the Palestinian uprising in the territories."

He said only a political settlement would end the intifada.

Shamir elucidated on Israel's refusal to have any contact, direct or otherwise, with the PLO. "The PLO has not changed either its terror tactics or its basic aim -- Israel's destruction," he insisted.

To Mitterrand's argument that even the United States has opened a dialogue with the PLO, Shamir retorted, "America has made a serious mistake, and we hope it will correct its stand."

Contacts With PLO Unhelpful

At no point did the Israeli leader ask Mitterrand directly to cancel his projected meeting with PLO leader Yasir Arafat. But he argued vigorously that any European contacts with the PLO were counterproductive.

Mitterrand said no final decision has been made to meet Arafat.

Shamir came here under no illusions that he could alter Mitterrand's basic outlook. But he hoped to slow down Western Europe's increasing contacts with the PLO.

He may have made some small progress in that direction, as evidenced by Mitterrand's "food for thought" remark.

French officials believe, however, that the president will, in fact, meet with Arafat in the spring, either in Tunis or Cairo, and will continue to work for an international peace conference, which Shamir still adamantly opposes.

The Israeli prime minister also met Wednesday with Foreign Minister Roland Dumas, Premier Michel Rocard and Laurent Fabius, president of the National Assembly.

Shamir placed a wreath on the Tomb of the Unknown Soldier.

He was to attend a banquet in his honor hosted by Rocard Wednesday night and will be the guest of Paris Mayor Jacques Chirac at City Hall on Thursday. Shamir returns to Israel on Friday.

DEAL IS STRUCK FOR TABA HOTEL, CLEARING WAY FOR FINAL AGREEMENT By Hugh Orgel

TEL AVIV, Feb. 22 (JTA) -- An agreement of sale is expected to be signed Sunday transferring the Taba resort facilities to Egyptian ownership.

Complete agreement has also been reached on the touchy issue of Israeli access to the beach enclave after it reverts to Egyptian sovereignty.

It will mark the end of a six-year border dispute between Israel and Egypt, which narrowed down in its final stages to technical matters and the disposal of tourism assets.

After more than two weeks of hard bargaining that began in Cairo Feb. 6, Egypt agreed Tuesday to pay Eli Papushado, owner of the luxury Avia Sonesta Hotel, \$37 million in cash and another \$3 million payable out of the hotel's earnings over the next five years.

Papushado and his senior staff will stay on to operate and manage the 322-room hotel under a 20-year contract with the Egyptian Ministry of Tourism. The hotel will continue to get its supplies from the nearby Israeli resort town of Eilat.

The Egyptians also agreed to pay \$1.5 million for the Rafi Nelson Vacation Village, a less posh resort that shares the Taba beach with the Sonesta Hotel.

All that remains to be settled before the formal signing is the location of the last 185 yards of boundary separating Taba from Israel. It was left open by the international arbitration panel that awarded Taba to Egypt last year.

The negotiations on that and other technical matters have been conducted by Israeli and Egyptian teams meeting in Taba since January. An American observer mission served as an unofficial mediator when talks threatened to break down.

But both sides have now met the Feb. 26 deadline they set for an agreement. Egypt is expected to take physical possession of Taba on March 15.

U.S. WON'T RUSH MIDEAST PEACE MOVES By David Friedman

WASHINGTON, Feb. 22 (JTA) -- President Bush said Tuesday he will not act precipitously in the Middle East just to match the current visit to the region by Soviet Foreign Minister Eduard Shevardnadze.

"I don't want to be rushing out because Mr. Shevardnadze went to the Middle East," Bush said at a White House news conference. "I'd like to have for the first step we take of that nature to be a prudent step."

Secretary of State James Baker during his visit to Europe last week rejected the urging of the West Europeans that he go to the Middle East as soon as possible.

Bush insisted that his policy in the region is clear and was enunciated during the presidential campaign last year.

This policy is "to encourage discussions between King Hussein (of Jordan) and the Israelis and to build on the progress that has been made already," the president explained.

He said he also wants to see how the talks with the Palestine Liberation Organization develop.

"The principles are there," Bush said, and the United States must "now flesh them out and figure out what we do specifically."

ZIONIST GROUP SIGNS AGREEMENT WITH ASSOCIATION OF SOVIET JEWS

By David Landau and Hugh Orgel

JERUSALEM, Feb. 22 (JTA) -- A Soviet Jewish Zionist group in Israel has established the first formal links with an organization in the USSR said to represent grassroots Soviet Jewry.

An agreement signed in Moscow this month declared their common goal is "to secure the survival of the Soviet Jewish community as an integral part of the Jewish community."

The agreement for cooperation is between the Jewish Cultural Association, EKA, and the Jerusalem-based Soviet Jewry Zionist Forum.

The signatory for the Israeli organization was former prisoner of Zion Yuli Edelshtein, who visited Moscow recently for the inauguration of the Mikhoels Jewish Cultural Center. It was the first time a former Jewish prisoner was allowed to return to the Soviet Union.

Edelshtein, who flew home Tuesday night, said his trip itself was a sign of the major changes taking place in the Soviet Union.

He hailed the accord as a historic development that could lead to Soviet Jewry's reintegration into international Jewish affairs in a public, formal and officially sanctioned mode.

The Soviet signatory was Dr. Mikhail Chlenov, whose organization is described as an umbrella for 29 local Jewish groups throughout the Soviet Union.

The agreement pledges mutual cooperation and calls on the Soviet authorities to extend official recognition to the EKA and allow its incorporation into international Jewish organizations.

The Soviet Jewish Zionist forum, headed by Natan Sharansky, embraces most Soviet Jewry activist organizations in Israel.

HIGH COURT HEARS ARGUMENTS ON PITTSBURGH MENORAH, CRECHE

By Howard Rosenberg

WASHINGTON, Feb. 22 (JTA) -- The Supreme Court heard oral arguments Wednesday to decide whether religious symbols, including a menorah, displayed in two Pittsburgh government buildings violate the constitutional principle of separation of church and state.

The case, Chabad and County of Allegheny and City of Pittsburgh vs. American Civil Liberties Union et al., pits the Lubavitch Hasidic movement against several major Jewish organizations.

The case may test the limits of the court's 1984 decision, in *Lynch vs. Donnelly*, to uphold a Pawtucket, R.I., nativity scene erected in a private park near City Hall.

In that case, the court rejected the argument that the scene violated the First Amendment's so-called Establishment Clause. It states that "Congress should make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

In making its ruling, the court argued that because the Rhode Island display included reindeer and other ornaments, the nativity scene had a secular, seasonal purpose, rather than a purely religious one.

This time around, the nativity scene is in the Allegheny County Courthouse. But unlike the *Lynch* case, the presence of Christmas trees and menorahs on public property is being challenged.

The case is about a 45-foot-high Christmas tree with an 18-foot-high menorah on the second floor of Pittsburgh's City-County Building, known as City Hall. The menorah is owned by Chabad.

The U.S. Court of Appeals for the Third Circuit ruled last March that both the Pittsburgh displays were unconstitutional.

Inclusion Of Secular Symbols

A key focus in the oral arguments Wednesday was differences between the Rhode Island and Pittsburgh nativity displays.

Roslyn Litman, lawyer for the ACLU, said the Pittsburgh nativity scene had a religious Latin phrase on it, whereas the Rhode Island one simply said "Happy Holidays."

In addition, the Rhode Island display, but not Pittsburgh's, featured candy canes, she said, making it less likely that the intention was to convey a "religious message."

Peter Buscemi, lawyer for the county and city, argued that the Lynch majority opinion did not attach any major significance to the presence of secular elements in the nativity scene display.

Also, he said this case is different from previous ones, where mammoth-size crosses were found to violate the Establishment Clause because of the "dominance of the symbol."

But Litman argued that throughout history, governments have displayed religious symbols to foster bigotry and intolerance toward others.

She said the display "totally ignores" Moslems, Hindus, Buddhists and other Asian-American religionists.

In his summation, Buscemi said government rejection of religious symbols would represent "callous indifference" to religion, not intended by the Establishment Clause.

Nathan Lewin, lawyer for Chabad, said the menorah has an "appropriate educational effect" on the public.

The National Jewish Commission on Law and Public Affairs filed a friend-of-the-court brief in favor of the displays.

Jewish groups that filed amicus briefs opposing the displays are the Anti-Defamation League of B'nai B'rith, the American Jewish Committee and the American Jewish Congress, which filed its brief also on behalf of the National Jewish Community Relations Advisory Council.

NO TAX BREAK FOR RELIGIOUS BOOKS

By Howard Rosenberg

WASHINGTON, Feb. 22 (JTA) -- The U.S. Supreme Court ruled Tuesday that a Texas law exempting religious publications from sales tax is unconstitutional.

Fourteen other states have similar laws, but it was not immediately clear whether the sales of Jewish religious books, magazines and newspapers in those states would be affected.

Steven Freeman, director of the legal affairs department of the Anti-Defamation League of B'nai B'rith, heralded the decision as a "victory for the separation between church and state." His group and the American Jewish Congress filed friend-of-the-court briefs opposing the exemption.

Dennis Rapps, executive director of the National Jewish Commission on Law and Public Affairs, which defends the legal rights of Orthodox Jews, said he was unhappy about the decision.

Rapps said the ruling was a departure from the court's previous affirmations of a state government's right to accommodate religious groups.

**ANNE POLLARD TESTIFIES IN COURT;
JUDGE TO RULE IF PUNISHMENT CRUEL**
By Marshall Hoffman
American Jewish World

ROCHESTER, Minn., Feb. 22 (JTA) -- Anne Henderson Pollard took the witness stand in her own defense on last week, the first time she has testified in court since her initial incarceration in the maximum security federal prison in Lexington, Ky.

A U.S. magistrate was expected to decide this week whether Pollard has been subjected to cruel and unusual punishment by the Federal Bureau of Prisons, or if her medical complaints are exaggerated to generate public sympathy for her husband, convicted spy Jonathan Pollard.

Testifying Feb. 16, Anne Pollard complained of a lack of medical treatment, and her deteriorating relationship with Dr. Martha Grogan, medical director of the Federal Medical Center here, who is Pollard's treating physician.

She suggested their relationship worsened after two articles on her medical condition appeared in The New York Times in the summer of 1988.

According to Pollard, Grogan called the Times' stories a "pack of lies" and became "abrupt, short and unpleasant."

Pollard, who said she was 5 feet, 3 inches tall and weighed 89 pounds, claimed she was brought here abruptly last month because a visitor's camera accidentally went off at a prison facility in Danbury, Conn.

Prison officials said she was moved for medical reasons, citing continued loss of weight and lack of improvement in her physical condition.

A 24-hour watch, which had been placed on Pollard since she came to Rochester, was removed Feb. 14, two days before her testimony.

In addition, the court granted her attorneys the right to private consultation with their client, unmonitored by the Bureau of Prisons.

The 28-year-old Pollard said she "would be the happiest person in the world" if the court allowed her to see her private physician, who practices in Chicago.

Deteriorating Condition

But U.S. Attorney Robert Small said at the hearing that Pollard's condition had been deteriorating long before her imprisonment, even when treated by doctors with whom she had a good relationship.

He said she received medical treatment during 88 percent of the 709 days of incarceration, and had been seen by 35 physicians, including 22 from the Mayo Clinic.

Small said doctors from Mayo diagnosed her as having irritable bowel syndrome, a serious but relatively common ailment that is not life-threatening.

The government argued that Pollard has consistently refused to be treated by doctors in Rochester as an "unconscious desire to be ill" in order to generate public support for a reduced sentence for her husband.

"An improvement of her medical conditions will lead to disappointment by some of her supporters," said Small, which "will further result in a loss of a reason to supply publicity for her husband."

Pollard's attorneys, however, claimed that the government had "prescribed stress" for

Pollard by moving her to hostile surroundings at the Federal Medical Center here.

Doctors on both sides admitted stress could worsen her condition.

Attorney Small put the onus for treatment on Pollard. "When Anne Pollard decides to get better, Anne Pollard will get better," Small said in his summation.

Religious Necklaces Removed

Pollard testified that when she was transferred here last month from prison in Danbury, Conn., she was told she could not wear two religious necklaces.

She said prison officials took a "chai" necklace from her and informed her that it was "probably thrown away." Pollard wore a Magen David necklace throughout the hearing.

In addition, she complained that religious books and photos of her husband were taken from her, and that she has not been able to receive a letter from her husband in two years.

Pollard also retracted previous statements she had made in a November 1988 broadcast of CBS-TV's "60 Minutes" in an interview with Mike Wallace. In that interview, Pollard had compared the Federal Medical Center facilities to the Auschwitz death camp.

"As a Jewess, I'm very remorseful I compared anything to Auschwitz," said Pollard. "The comment was taken completely out of context. I was trying to describe that I had been mistreated medically."

Pollard has served more than two years of two concurrent five-year sentences. She was convicted as an accessory after the fact in her husband's spy activities for Israel.

**PROTEST AGAINST CARMELITE CONVENT
DENOUNCED BY BELGIAN JEWISH BODY**
By Yossi Lempkowitz

BRUSSELS, Feb. 22 (JTA) -- The Jewish establishment has denounced a protest organized by Jewish students here Tuesday against the continued presence of a Carmelite convent on the grounds of the former Auschwitz death camp.

The Union of Belgian Jewish Students staged a 24-hour sit-in at a Catholic church. About 100 students and Holocaust survivors took part.

But the Jewish Central Consistory, the highest Jewish religious authority in Belgium, issued a communique condemning their action.

At issue is the apparent inability of the Catholic church to honor an agreement a delegation that included four cardinals signed with Jewish representatives in Geneva in 1987.

According to the agreement, the convent was to be removed from Auschwitz to another location by Feb. 22. But the church now says it cannot meet the deadline and has asked for more time.

Cardinal Albert Decourtray of Lyon, who headed the Catholic delegation in Geneva, made that appeal in a letter last week to Theo Klein, the French Jewish leader who headed the Jewish delegation.

Klein, president of CRIF, the representative body of major French Jewish organizations, declared that Jewish-Catholic relations would be suspended until the matter is resolved according to the 1987 agreement.

The Carmelites installed themselves at Auschwitz in 1985 to honor the memory of Edith Stein, a German-Jewish woman who converted to Catholicism and died at Auschwitz.