

PALESTINIANS WON'T ACCEPT ELECTIONS IN TERRITORIES, MUBARAK TELLS BUSH By David Friedman

WASHINGTON, April 3 (JTA) -- The Palestinians will not accept an Israeli proposal to hold elections in the West Bank and Gaza Strip, Egypt's President Hosni Mubarak told President Bush on Monday.

Mubarak's rejection of the Israeli proposal, which Prime Minister Yitzhak Shamir is expected to present later this week, came during a 55-minute meeting at the White House, 30 minutes of which was a private session between the two leaders in the Oval Office.

Speaking to reporters after their meeting, Bush made one of his strongest statements to date on the need for Israel to withdraw from the administered territories.

"Egypt and the United States share the goals of security for Israel, the end of the occupation and the achievement of Palestinian political rights," he said.

Shamir revealed in an interview with The New York Times last Friday that he will propose the elections when he meets with Secretary of State James Baker on Wednesday and with Bush on Thursday. But he stressed that elections cannot be held as long as the Palestinian uprising in the territories continues.

Mubarak "felt that elections certainly would not be acceptable to the Palestinians under the supervision of the Israelis," a senior administration official said after the White House meeting.

He said Bush asked if elections would be acceptable under other forms of supervision. But the official refused to give any other details of the conversation.

After the White House meeting, Bush and Mubarak made brief remarks to reporters in the Rose Garden before leaving by helicopter for Baltimore, where Bush officially opened the baseball season.

Disagree On Peace Conference

The two leaders declared they shared the common goal of a comprehensive peace in the Middle East, based on United Nations Security Council Resolutions 242 and 338. They agreed that the agreement must be reached via direct negotiations.

Mubarak also said that "we are both opposed to the annexation of the occupied territories as firmly as we stand against any irredentist claims and vengeful acts."

This was apparently Mubarak's way of saying that the Palestinians would not be supported in their claims for all of Israel once they achieved their rights in the territories.

Neither Bush nor Mubarak mentioned a separate Palestinian state, which the Bush administration is on record as opposing.

But the two presidents did differ on whether a settlement required an international conference. "That settlement should be achieved through direct negotiations between Israel and all Arab parties, within the framework of the international peace conference," Mubarak said.

Bush would only say that "a properly structured international conference can find a useful

role at the appropriate time."

The senior administration official who briefed reporters explained that the United States believes that there is "a lot of ground that has to be covered" before an international conference can be held.

The Bush administration has reaffirmed the Reagan administration's position that an international conference must lead to direct negotiations and not be a substitute for them.

Bush said the meeting Monday was "particularly timely" because it came "10 years after Egypt and Israel signed their historic treaty of peace."

He said that "10 years of peace between Egypt and Israel demonstrates that peace works and it can work for Israelis and Palestinians as well."

Does Not Mention Treaty

Mubarak, however, did not mention the peace treaty, which had been signed at the White House 10 years and eight days earlier.

Mubarak leaves Washington for New York on Wednesday, the day Shamir arrives here. The Egyptian president turned down a request from Shamir to postpone his departure, so that they could meet with Bush to commemorate the peace treaty.

Asked for an explanation, the administration official said Mubarak believes such a meeting should have substance and move things forward rather than just being ceremonial.

But Israeli Ambassador Moshe Arad has been invited to attend a White House dinner Bush is giving in Mubarak's honor Tuesday night.

During their White House meeting, Bush and Mubarak also discussed the need to end violence by all sides, according to the administration official.

Mubarak, who said that the Palestine Liberation Organization "has accepted unequivocally the requirements for peace," reportedly told Bush that PLO leader Yasir Arafat could not end the uprising in the territories even if he wanted to.

Bush told Mubarak that "we are equally concerned by the attempted incursions since December" into Israel by PLO groups, the official reported. He said that Mubarak replied that Arafat cannot control all the factions within the PLO.

The official also said that Mubarak strongly denied reports that Egypt is developing chemical weapons.

Shamir, who will be staying at Blair House, the official government residence, has a full schedule of meetings in Washington. After arriving here Wednesday morning, he will go the State Department for a meeting and working lunch with Baker.

This will be followed by meetings with Defense Secretary Dick Cheney, Commerce Secretary Robert Mosbacher, and Housing and Urban Development Secretary Jack Kemp.

On Thursday, after meeting with Bush, Shamir will meet with Vice President Dan Quayle and then the House Foreign Affairs Committee. He will be Bush's guest at a White House dinner Thursday night and will meet with the Senate Foreign Relations Committee on Friday morning.

**AUTHORITIES MEETING PALESTINIANS
IN ATTEMPT TO PROMOTE RABIN PLAN**

By Gil Sedan

JERUSALEM, April 3 (JTA) -- As Prime Minister Yitzhak Shamir embarked on a crucial mission to sell his peace proposals to Washington, Defense Minister Yitzhak Rabin was busy drumming up support for his own plan from Palestinians in the administered territories.

Heads of the civil administration in the West Bank and Gaza Strip, who report to Rabin, have intensified their meetings with Palestinian leaders, hoping to set the stage for elections there.

The meetings have taken place with representatives of all political factions in the Palestinian political community, despite a specific call by leaders of the uprising to boycott all meetings with Israeli officials.

To promote Rabin's plan, the authorities have recently permitted a number of key figures in the territories to go abroad and meet with PLO officials, hoping they would convince the PLO to give them the green light to enter into preliminary negotiations with Israel.

Gen. Shaike Erez, head of the West Bank civil administration, met Sunday with 23 Palestinian leaders in the Tulkarm-Kalkilya area.

Palestinian participants described it as a routine meeting. Therefore, they said, no one could ban them from taking part in it. They would not say what they had told the Israeli officials.

New Set Of Demands

But a prominent Palestinian leader who has returned from a long visit overseas presented a new list of conditions for participation in any peace negotiations with Israel.

Hanna Siniora, editor of the East Jerusalem daily Al-Fajr, said the Palestinians would insist on immediate withdrawal of the Israeli army from the territories, direct negotiations between Israel and the Palestine Liberation Organization, and an Israeli commitment to accept the principle of an independent Palestinian state.

Siniora, apparently realizing that the demands were not realistic, added that they were subject to modification.

Rabin presented his peace plan to the hawkish wing of the Labor Party on Sunday. It calls for election of representatives in the territories who would represent the Palestinians in negotiations over a five-year interim settlement.

During that period, the Palestinians would rule over their own affairs, except in the areas of security and foreign affairs. Talks on the final status of the territories would also include representatives of Jordan and Palestinians living outside the territories.

JORDAN AIDING ISRAELI EXPORTS

By Hugh Orgel

TEL AVIV, April 3 (JTA) -- Jordan has played an active role in facilitating the export of \$1 billion worth of Israeli food products to Middle Eastern and Persian Gulf countries, Agriculture Minister Avraham Katz-Oz disclosed Sunday.

Israeli sales of fresh and partially processed food to Arab countries amounts to about 10 percent of Israel's total agricultural exports, he said.

Katz-Oz confirmed the Jordanian role during a meeting of the Middle East Economic Entre-

preneurs Club in Tel Aviv. He called it an example of the practical ways in which Israel and Jordan are cooperating, even though the two nations are technically still at war.

Katz-Oz, a Labor minister, said that there is regular communication and coordination between the two countries and that decision-makers from both sides meet regularly to discuss ways of improving commercial ties regarding food exports.

He said that for the past two years the two countries have agreed on production quotas for the West Bank. Israel has even provided Jordan with aerial photographs of crop areas in the West Bank and the Gaza Strip, he said.

**ISRAEL PROTESTS CANADIAN MOVE
TO RAISE LEVEL OF TALKS WITH PLO**

By David Landau

JERUSALEM, April 3 (JTA) -- Israel has lodged a formal protest with Canada over its decision last week to begin talks at the ministerial level with the Palestine Liberation Organization.

Deputy Foreign Minister Binyamin Netanyahu summoned Canadian Ambassador James Bartleman Sunday to deliver Israel's response to the move. He told the envoy that Israel is "deeply disappointed."

Netanyahu's statement asserted that Canada's action would strengthen the PLO and encourage Palestinians to believe that a separate state is the only solution to the conflict. This, in turn, would deter local moderates from joining the political process.

Observers here see the Canadian timing as part of a wider Western effort to put pressure on Israel in advance of Prime Minister Yitzhak Shamir's talks in Washington this week.

They link it to British Prime Minister Margaret Thatcher's statement in Morocco last week urging Israel to talk with its enemies and to French President Francois Mitterrand's announcement, also last week, that he will meet soon on French soil with PLO leader Yasir Arafat.

There is no authoritative reading here as to whether the U.S. administration was consulted prior to these various actions.

ISRAELI PAPER FOLDS AFTER SIX MONTHS

By Hugh Orgel

TEL AVIV, April 3 (JTA) -- The Nation, an English-language newspaper established six months ago to compete with the veteran Jerusalem Post, ceased publication Monday, with its 124th issue.

For the first few weeks the paper appeared as a weekly, going over to daily publication some four months ago.

Hesh Kestin, editor and managing director of the paper, said he was certain publication would resume some time in the future. And Steven Leibovitz, the paper's business manager, stressed that the publishing company continues to exist.

He explained that investors had decided to cut their losses, due in part to bad management and a big turnover in management employees.

"All the English-language press in Israel is in difficulties," said Leibovitz. "The Jerusalem Post is also up for sale."

A large bloc of Post shares is held by Histadrut's Koor industrial complex, which is reportedly planning to sell them as part of the conglomerate's retrenchment and reorganization program.

**WIESENTHAL'S CLAIM ON EICHMANN
DISPUTED BY FORMER MOSSAD HEAD**
By Susan Birnbaum

NEW YORK, April 3 (JTA) -- Three weeks before a television documentary on the life of Simon Wiesenthal is set to air, questions are being raised about whether the Nazi-hunter really located Adolf Eichmann, as he has long claimed.

Isser Harel, a former head of both Mossad and the Shin Bet internal security service in Israel and the man responsible for capturing Eichmann, said unequivocally last week that Wiesenthal had "absolutely nothing" to do with Eichmann's capture.

Harel, whose account of the capture of Eichmann in 1960 in Buenos Aires is recorded in his "The House on Garibaldi Street," said that Wiesenthal "had nothing to do with Eichmann--neither with the capture, location or any information."

In the 29 years since Eichmann's capture, this is the first time Harel has gone on the record with the remark.

Harel's statements about Wiesenthal were private, given to the Jewish Telegraphic Agency and later to Reuters.

In its advance promotional material for "The Simon Wiesenthal Story: Murderers Among Us," which airs nationally on April 23, Home Box Office credits Wiesenthal with locating Eichmann.

This information is also given on the cover jackets of at least two of Wiesenthal's books, "Murderers Among Us" and "Every Day Remembrance Day."

Defends Claim

Wiesenthal, who was in New York for a screening of the film, defended his claim strongly in an interview Sunday.

"My book about the Eichmann affair was published in 1961, in Hebrew. Why has Mr. Harel kept silent?" he asked.

Wiesenthal did not provide specifics about finding Eichmann, but he did say that in 1947, "the most important thing that I had done" was to refute a woman who tried to declare Eichmann dead on the basis of false witnesses.

The woman said Eichmann had been shot in Prague, Wiesenthal said, "so I asked the judge to give me four weeks' time and I found that the witness was the brother-in-law of Mrs. Eichmann: Karl Liebel. And the judge was about to declare him dead."

"In 1947, nobody had looked for him. Isser Harel should say who (did) this," he said.

In addition, said Wiesenthal, when Eichmann's father died in 1959, the newspaper printed the names of the mourning family, including Vera Eichmann, his widow.

"This was the sign that was it not true that she was married to another man. Then we (the Jewish Documentation Center in Linz) made a photo -- with a telephoto lens -- of all the members of the family during the funeral."

"People were coming from Harel's office to take this photo, because when you look at the photo of Eichmann's brothers, it was obviously the same family," he said.

Wiesenthal's critics say that whereas true Nazi-hunters jeopardize life and limb by going to the locale where a Nazi has been cited, including not-so-friendly South American countries, Wiesenthal has not set foot in these places.

Yet, they say, he takes credit. The cover

jackets of his books, for instance, say that "Wiesenthal is best known for his discovery of Adolf Eichmann's South American hideout."

On Monday, Wiesenthal told JTA by phone, "I found him in Argentina in 1954 and told the Israelis, but they don't believe me."

Arnold Forster, general counsel of the Anti-Defamation League of B'nai B'rith, says in his most recent book, "Square One," that right before the Israelis ferreted Eichmann out of Argentina, Wiesenthal was placing him in both Japan and Saudi Arabia.

Wiesenthal, writes Forster, "has not, as far as I know, released any list of Nazi criminals apprehended as a result of his work, although he has done well in keeping the public's eye on the subject of prominent escaped Nazis."

Requested Funds

Forster said that Wiesenthal, in order to verify his suspicion that Eichmann was in Japan, requested funds from the Israeli government, which declined his request.

An Israeli government source told him that Wiesenthal "flew to Jerusalem to see Prime Minister (David) Ben-Gurion" and "Ben-Gurion checked with the Mossad and decided against financial assistance."

Wiesenthal then released a story in Israel saying in effect that the Israeli government was refusing to help capture Eichmann.

Harel's comments on Wiesenthal are provocative because they appear to chip away at the underpinnings of Wiesenthal's career.

Harel's account revolves around the contribution of Fritz Bauer, who, as a prosecutor in Frankfurt after the war, prosecuted a Nazi war criminal who kept referring to Eichmann.

These proceedings reportedly appeared in an Argentine paper, which was brought to the attention of another German in Argentina named Lothar Hermann, whose daughter was reportedly dating Eichmann's son.

In this account, Hermann called Bauer and said, "I believe I know that Eichmann is living a few houses away from me."

Bauer supposedly preferred to inform the Israelis rather than the Germans. Harel sent an agent to Argentina to speak with Hermann.

The Israelis confirmed that the daughter's boyfriend was Eichmann's son, who was using the name Eichmann all the while his father was using the name Ricardo Clement.

No One Person Responsible

Said Wiesenthal, "The Eichmann affair was a big mosaic. No one can say he alone was responsible."

"Look in Golda Meir's book. It said volunteers abroad brought Eichmann to Israel. Later, Harel wrote a book and omitted my name."

"The French edition (of my book) was published in 1967 without any reaction from Harel . . . and in this book were published documents and a letter sent by the Israeli ambassador to Vienna in 1959, Yehezkel Sahar."

"He told me in this letter that the people in Israel are occupied with Eichmann and they are very, very grateful to me for the big help I gave them."

In the letter sent from Sahar to Wiesenthal, dated Nov. 10, 1959, Sahar writes that while in Israel, "I had conversations concerning Eichmann, and our people there express how much they value your help in this issue."

MILKEN WAS THE SECRET PURCHASER OF AUCTIONED ANNE FRANK LETTERS

By Susan Birnbaum

NEW YORK, April 3 (JTA) -- Indicted junk bond dealer Michael Milken was the anonymous purchaser of a rare set of letters written by Anne Frank and her sister, Margot, that was auctioned here last October for \$165,000.

The revelation was reported by The New York Times on Monday as part of an article detailing Milken's astounding salary, said to be the largest of any American in history. He reportedly earned \$550 million in 1987 alone and more than \$1 billion in a four-year period.

The Simon Wiesenthal Center, for whom the auctioned letters were purchased Oct. 25, wanted to keep the buyer's name anonymous as long as possible.

This now seems explicable in light of the federal racketeering and insider-trading charges Milken faces in his role of managing high-risk bonds for the Wall Street investment firm Drexel Burnham Lambert Inc.

The Wiesenthal Center's New York office confirmed Monday that Milken was the purchaser of the letters and said that fact had been announced at an 80th birthday party for Wiesenthal in November.

But if such an announcement was made, reporters who attended could not recall it. And only Sunday, the day before the Times article appeared, the center's dean, Rabbi Marvin Hier, declined to divulge the purchaser's identity.

Milken, 42, of Encino, Calif., was indicted by a federal grand jury March 29 on 98 counts, including securities and mail fraud, insider trading, making false statements to the government, and racketeering and securities fraud.

Praise In Jewish Community

The indictment is the largest ever criminal action against a Wall Street figure. Prosecutors are seeking a \$1.8 billion fine against Milken and two others named in the indictment.

The charges against Milken came about as a result of information given two years ago by arbitrator Ivan Boesky when he was charged with illegal insider trading.

But throughout the financial and Jewish communities, there has been little but praise for Milken during the last week.

Last Friday, 88 friends of Milken took out a full-page advertisement in major American newspapers that read, "Mike Milken, we believe in you." It was signed by corporate heads and a professor of neurosurgery.

Milken has given extensively to Jewish causes, particularly in the Los Angeles area. He is on the board of directors of the Stephen Wise Synagogue there, and is a major contributor to the University of Judaism and the Jewish Federation Council of Greater Los Angeles.

Milken contributed a significant sum in 1987 for a new Jewish Federation campus in the San Fernando Valley. The Bernard Milken Jewish Community Center, named for Milken's late father, houses the West Hills regional office of the federation, the West Valley Jewish Community Center and many of the federation's agencies.

At the University of Judaism, Ira Schreck, director of development, said Milken endowed a collection last year in the humanities division of the library, "and we didn't know about the pledge until the check came in the mail."

INVESTIGATION ENDS ON BRUNNER, LEAVING PROSECUTION EMPTY-HANDED

By Jean Cohen

ATHENS, April 3 (JTA) -- Authorities finished taking testimony last week from witnesses submitting evidence against Nazi war criminal Alois Brunner.

The hearings, initiated in Salonika at the request of the district attorney of Frankfurt, West Germany, ended with no tangible results.

They were conducted with hope of facilitating the West German effort to get Brunner extradited from Syria, where he reportedly has been living for over 30 years.

The Syrians have flatly denied this fact, to West Germany in 1986 as well as to France, which asked for Brunner's extradition last year as a result of the efforts of Beate and Serge Klarsfeld.

The Salonika investigation, conducted by Greek District Attorney Athanasios Smilis and West German Prosecutor General Walter Griebel, bore no new fruit, because the six Greek Jewish survivors questioned testified that they did not have any first-hand information about Brunner's brutalities.

The most productive testimony given came from one Jew who said he once saw Brunner. Outside of this, the only testimony against Brunner came from a book, "In Memoriam," written by representatives of the Jewish community of Salonika, in which Brunner was described as a beast.

Greek Government Blamed

The United Nations War Crimes Commission archives lists at least four files on Brunner. The file submitted by Czechoslovakia, for example, shows that he is wanted for murder. He is listed as having served as an SS captain in Athens and Salonika in 1943 and 1944.

The U.N. War Crimes Commission, formed in 1943 in London by the Allied Powers, gave Brunner an "A" rating, indicating that he should stand immediate trial for murder. Other files are from France and Belgium.

Brunner, a chief deputy to Adolf Eichmann, is responsible for deporting thousands of Jews from France; supervising the deportation of some 50,000 Greek Jews of Salonika; and deporting Jews from Berlin, Vienna and Slovakia.

Much of the blame for the lack of evidence has been placed on the various Greek governments since World War II, which never deemed it necessary to collect existing evidence on the Jewish Holocaust in Salonika.

The West Germans and French, however, have attempted to bring Brunner to justice.

Last month, French government officials asked visiting Syrian Foreign Minister Farouk al-Sharaa about Brunner, to which Sharaa testily repeated the often heard phrase that Brunner was not in Syria.

"The whole story has been totally made up to hurt Syria's image," he said.

Sharaa responded to a series of questions on the Middle East, but when asked about Brunner, he became irritated and terminated the meeting.

Serge Klarsfeld, visiting New York last week, told the Jewish Telegraphic Agency that France "will continue to ask Syria for Brunner until either they agree to extradite him or he appears in a different country."

(JTA staff writer Susan Birnbaum in New York contributed to this report.)