



**BUSH AND ARENS DISCUSS PEACE,
BUT NOT EGYPTIAN PEACE PROPOSALS**
By Allison Kaplan

NEW YORK, Sept. 26 (JTA) -- Egyptian President Hosni Mubarak's 10-point peace proposal was not discussed during a 15-minute meeting Israeli Foreign Minister Moshe Arens held Monday evening with President Bush, according to an Israeli official close to the talks.

The meeting, which took place during a formal reception Bush hosted at the Metropolitan Museum of Art, was quickly arranged by the State Department on Monday, in order not to appear to slight Arens, a ranking member of the Likud bloc.

Likud leaders were reportedly miffed that while Bush met for an hour Monday with Vice Premier Shimon Peres of Labor, he had not been scheduled to meet with Arens. Both leaders are in New York this week.

Likud and Labor are sharply divided over Mubarak's 10-point proposal, which, among other things, calls for Egyptian-hosted preliminary talks between Israel and a delegation of Palestinian leaders. Labor has welcomed the plan, while Likud rejects it.

Peres had reported after his meeting with Bush that the president had words of praise for Mubarak and was "impressed with the progress Mubarak has produced."

Arens and Bush discussed the peace process in general terms, but did not specifically deal with the Mubarak plan, according to the Israeli official. He said Arens got the impression that the United States wants to advance the peace process in the Middle East and "is willing to make any efforts" to do so.

Bush also communicated to Arens that the administration is well aware of the current political tensions between Labor and Likud.

Meets With Polish Foreign Minister

Arens is scheduled to discuss the peace process in a more in-depth manner with Secretary of State James Baker on Thursday.

Baker is also arranging a three-way meeting with Arens and Egyptian Foreign Minister Esmat Abdel Meguid. Israeli officials said the meeting would take place Friday or early next week.

Arens, who is to address the U.N. General Assembly on Wednesday, has been meeting here with a number of foreign leaders.

On Monday, after Arens met with French Foreign Minister Roland Dumas, it was announced that the foreign ministers of France, Spain and Ireland will make a joint visit to Israel. The three are respectively the current, immediate past and next chairmen of the European Community.

Arens met Tuesday morning with Krzysztof Skubiszewski, Poland's first non-Communist minister of foreign affairs since World War II. The Israeli and Polish leaders discussed the continued warming of relations between their two countries, which now maintain low-level diplomatic ties.

Skubiszewski told Arens that full diplomatic relations between Poland and Israel are "only a question of time," according to Israeli spokesman Danny Scheck.

Arens reportedly responded by telling the Polish minister that diplomatic relations would

lead to greater cooperation in the spheres of trade and technology. Poland broke relations with Israel in 1967, along with most of the Eastern bloc countries.

Last week, Hungary became the first of these countries to restore full diplomatic ties to Israel.

According to Scheck, the Polish diplomat told Arens that he would like to "find a way to commemorate and cherish historical sites related to the Jewish heritage in Poland," as well as the common heritage shared by Poles and Jews.

Asked by reporters about the Carmelite convent at the site of the former Auschwitz death camp in Poland, Skubiszewski said his government regrets that the controversy materialized and is glad it appears to be on its way to being resolved.

**SHAMIR WARNS LABOR NOT TO DEVIATE
FROM ISRAEL'S MAY 14 PEACE INITIATIVE**
By David Landau

JERUSALEM, Sept. 26 (JTA) -- Prime Minister Yitzhak Shamir warned Tuesday that the unity government could stay in power only if the constituent parties stuck strictly to government policy, and specifically to the Israeli peace initiative endorsed by the Cabinet on May 14.

In a tough-sounding speech at the Jerusalem Economic Club, the premier made it plain that he considers Labor's acceptance of a 10-point Egyptian plan for advancing the peace process as a major deviation from the government's policy, as embodied in the May 14 initiative.

"The leaders of the intifada will come to the negotiating table as victors," Shamir said, explaining why he and his Likud party rejects the Egyptian scenario for an Israeli-Palestinian dialogue in Cairo. "They will say, 'We've won. We've succeeded.'"

Industry and Trade Minister Ariel Sharon of Likud also spoke out against the Egyptian proposal Tuesday, but he faulted the Israeli Foreign Ministry for actively encouraging the Egyptians to get involved in the peace process. The ministry is headed by Likud's Moshe Arens, a rival of Sharon's for succession to the party leadership.

"It is absolutely Chelm-like," Sharon told political correspondents in Tel Aviv. "Our own Foreign Ministry tried desperately to coax and plead with (Mubarak) to intervene . . . Perhaps they didn't think he'd go so far."

Vice Premier Shimon Peres, meanwhile, was curt toward Arens in a radio interview Tuesday, following the foreign minister's public complaints about Peres' conduct in the United States, where both he and Arens met separately Monday with President Bush.

"I am not an official of his," Peres said tartly. "I don't need his permission to meet or to talk."

In Jerusalem, the Likud Knesset faction issued a statement urging the prime minister to recall Peres. The statement accused the vice premier of using his U.S. visit to try to persuade Israeli public opinion to support talks with the Palestine Liberation Organization.

The Labor Knesset faction, in turn, called on Shamir to put an end to Arens' attacks on Peres.

JEWISH LEADERS DISCUSS ARAFAT VISA, ARMS SALES WITH WHITE HOUSE OFFICIAL

By Andrew Silow Carroll

WASHINGTON, Sept. 26 (JTA) -- White House Chief of Staff John Sununu discussed a number of pressing Jewish concerns during an hour-long meeting Monday with Jewish leaders in New York.

The meeting, described by participants as warm and cordial, touched on a range of issues, including arms sales to Arab countries, Soviet Jewry and how the U.S. government will respond if Yasir Arafat asks it for an entry visa to address the U.N. General Assembly in New York.

The meeting was arranged by prominent Jewish Republican Jacob Stein and attended by other Republican figures, including Max Fisher of Detroit and New Yorker George Klein, as well as members of the Conference of Presidents of Major American Jewish Organizations.

Sununu demurred on the most controversial topic currently on the U.S.-Israel agenda: whether or not the United States would grant a visa to the Palestine Liberation Organization leader if he should ask for one.

Sununu said official U.S. policy was not to comment on the visa as long as Arafat has not made an official request. The final decision, he said, would be up to President Bush and Secretary of State James Baker.

Many of the Jewish leaders stated their opposition to granting Arafat a visa because of his links to terrorism, a position voiced by 68 senators who signed a letter sent to Baker Monday.

The senators said they opposed granting a visa to Arafat or elevating the ongoing U.S.-PLO dialogue. Doing so would be granting the PLO "unearned concessions" that "could be seen as generally rewarding the PLO at this time."

Sheikh's Capture Mentioned

Jewish leaders pressed Sununu about reports of a possible State Department request to sell 315 MIAI tanks to Saudi Arabia and asked whether or not Israeli or Jewish leaders would be consulted on the sale.

Sununu said the Bush administration would like to consult with Jewish groups about all arms sales, but it fears generating opposition to sales before they are formally proposed.

Participants said Sununu restated White House policy that some arms sales to Arab states are better conducted by the United States, which can place controls on the use of weapons that other countries would not impose.

The chief of staff said the administration welcomed close cooperation with Israeli leaders. In that regard, he said there was disappointment within the Bush administration about Israel's handling of the abduction in August of Shiite leader Sheikh Abdul Karim Obeid.

Israel has not fully answered a number of questions the government has asked about the operation, he said.

The Jewish leaders expressed concern over reports that a number of refuseniks had been arrested in Moscow. Sununu said human rights remain on the agenda of all U.S.-Soviet contacts.

The meeting was Sununu's second with the Conference of Presidents. Malcolm Hoenlein, the group's executive director, said it was a "constructive discussion" that demonstrated the administration's "great emphasis on keeping open" its dialogue with Jewish groups.

ARGENTINE LEADER MEETS WITH JEWS, PLANS VISIT TO ISRAEL NEXT YEAR

By Susan Birnbaum and Allison Kaplan

NEW YORK, Sept. 26 (JTA) -- Argentine President Carlos Saul Menem, meeting Tuesday morning with 14 members of the American Jewish community, pledged his determination to maintain friendly relations with the Jewish community, both at home and throughout the world.

He also announced he would be traveling to Israel early next year, possibly in January or February, and would like very much to be of help in facilitating the Middle East peace process.

Reports of Menem's comments came from Jewish leaders who attended the breakfast meeting at the Waldorf-Astoria Hotel.

They included officials of the World Jewish Congress, Conference of Presidents of Major American Jewish Organizations, Anti-Defamation League of B'nai B'rith, American Jewish Committee and Jewish Community Relations Council of New York.

Menem hosted the meeting to reciprocate a visit WJC President Edgar Bronfman made to Buenos Aires in July, during which the two met.

The Argentine president met later in the day for 25 minutes with Israeli Foreign Minister Moshe Arens. The foreign minister pledged Israel's help in developing Argentine agriculture.

Arens, who used an interpreter to converse with Menem, told the president that there are a lot of Argentine Jews in Israel. He said Menem would find a lot of friends when he visits the Jewish state and will not need a translator.

Menem told Arens that the Israeli people should see the people of Argentina "as friends and, even more than that, as brothers who want to bring peace between Arabs and Jews."

Hopes To Advance Peace Process

The Argentine president has been working to strengthen his ties to the Jewish community in Argentina, which is believed to number around 225,000. In doing so, Menem must surmount a legacy of anti-Semitism perpetrated by his party, the Peronists, during their earlier reign of power.

He has already begun to do so. Menem's three-month-old administration has already appointed two Jews to top posts.

One is Fernando Gelbard, the new ambassador to France. Gelbard is the son of former Finance Minister Jose Gelbard. The other is Diego Guelar, appointed ambassador to the European Community in Brussels.

Menem, who is of Syrian parentage, has appointed his brother, Eduardo, to be the new ambassador to Damascus. The president told the Jewish leaders he would instruct his brother to intercede on behalf of the Jews of Syria, who are reportedly persecuted and barred from emigrating.

Menem told the U.S. Jewish leaders that his trip to Israel would fulfill a promise made by his predecessor, Raul Alfonsin, who never visited Israel despite his warm ties with the Jewish state.

The president said he would seek to advance the Middle East peace process while in Israel.

Menem, who came to New York to address the United Nations General Assembly on Monday, devoted part of his speech to the Middle East.

He said he favored an international conference, within the framework of the United Nations, in order to bring peace to the region. Such a conference, he said, would give solid international guarantees to a negotiated agreement.

POLICE QUESTION WEST BANK SETTLERS FOR ALLEGEDLY INCITING SITUATION

By Gil Sedan

JERUSALEM, Sept. 26 (JTA) -- Police in the West Bank have summoned for questioning settlers suspected of having staged stone-throwing and petrol bomb attacks on Israeli cars earlier this year, in order to incite settlers and move the military authorities into harsher measures against the Arab population.

The settlers under questioning, most of them Tehiya activists in the settlement town of Ariel, reacted angrily to the police investigation into the matter. "This is a dirty slander," reacted Dror Saspanov, one of the suspects and chairman of the local branch of Tehiya.

"We were shocked and amazed that it was possible to blame a Jew for throwing a petrol bomb aimed at hurting Jews," he said, charging that the investigation was politically motivated.

Mayor Ron Nahman also said the allegations were "unbelievable and illogical."

But police declared that the investigation would continue, and that a decision whether charges would be filed would be made "in the coming days."

Police said the investigation was launched following the receipt of intelligence information that two petrol bomb attacks and a number of stoning incidents last January and February near Ariel and Ginot Shomron were carried out by settlers.

According to police, the settlers are suspected, inter alia, of having thrown a petrol bomb at a car driven by Avraham Shalev of Ginot Shomron on the Cross-Samaria highway on Jan. 24, an attack which was followed by enraged Ginot Shomron residents going on a rampage, damaging Arab-owned cars in the area.

No one was hurt and no damage was caused in any of the incidents investigated.

In other news, the Beersheba District court handed down a light sentence on Tuesday on a settler convicted of causing death out of negligence to an Arab school girl two years ago.

Suspended Sentence

Shimon Yifrah, 32, a resident of the Neve Dekalim settlement in the Gaza Strip, received seven months' suspended prison sentence for having caused the death of a high-school girl student following a stone-throwing attack.

Yifrah was a passenger in a car on the Khan Yunis-Gaza road. As it passed by the local girls high-school, the car was stoned by the girls.

When the driver made a U-turn to avoid a roadblock, Yifrah fired in the air to scare off the attackers.

Suddenly, he said, his arm was jerked, and he fired "lower than he intended," fatally wounding in the back a girl who was running from the scene.

Judge Yitzhak Shabtai explained the light sentence as follows: "There is no argument that the defendant did not intend to hurt the girl or to cause the fatal outcome of the incident. He found himself, with no fault of his, in an area of rioting, for the first time in his life.

"He was stricken by panic and fears, and acted out of deep emotional trouble, without having been able at the time to properly evaluate the severity of his action."

The judge decided to impose the relatively light sentence because "the criteria used to try

criminals are not applicable in this case."

News of the sentence was received with a loud sigh of relief, with settlers outside the courthouse singing and dancing.

Also on Tuesday, the army denied allegations by Amnesty International that an Arab detainee at the Ketziot camp in the Negev suffered heart attacks and was unfit for detention.

The army said that although the school-teacher, Badran Jaber, had suffered symptoms he believed were heart attacks, doctors did not diagnose any cardiological problems and therefore said Badran was fit to stay at Ketziot.

Meanwhile, the body of a 35-year-old man was found Tuesday morning at a cemetery in Nablus, another victim of what military sources believed was suspicion of collaboration.

And the army and police are still investigating the apparent kidnapping Monday of four Nablus residents by masked men. Minister-without-Portfolio Ehud Olmert, who is responsible for Arab affairs, said Tuesday Israel should consider imposing the death penalty for serious security crimes.

On a tour of Nablus, Olmert told reporters there was no sign of any reduction of violence in the territories, despite some reports to the contrary. To deal with it, he said, the government must impose stiffer punishment on responsible parties.

Olmert warned that the creation of a Palestinian state would create serious problems between Israel and its Arab citizens.

UNKNOWN VANDALS IN ISRAEL DESTROY REMAINS OF MEDIEVAL CARMELITE CONVENT

By Cathrine Gerson

JERUSALEM, Sept. 26 (JTA) -- Unknown vandals in Israel may have exacerbated tensions between Israel and the Catholic Church, particularly the Carmelite order.

Israeli media reported Tuesday that vandals had destroyed the remains of a 13th-century Carmelite convent near Haifa.

According to reports, the vandalism was systematic, with the attackers smashing stone after stone at the site, which is being excavated by a group of Carmelite nuns.

The vandalism was discovered two weeks ago by an inspector from the Department of Antiquities.

Israel Radio reported that the destruction of the site was discovered soon after religious circles in Haifa had warned they would not allow the excavations to continue as long as a Carmelite convent remained on the site of the former Auschwitz death camp in Poland.

Sister Damien, a Carmelite sister from Salt Lake City, Utah, under whose direction the excavations have taken place for the last two years, said Tuesday that she was shocked to see the destruction at the site.

"The Carmelite order has never wanted the sisters at Auschwitz," she said, pointing out that the nuns who established the convent at Auschwitz had gone against explicit orders of the order.

"Many, many times the Mother Superior has told them to come out, but they refused," she said.

Sister Damien said that those who had hurt the work in Israel "are hurting the people who are trying to get them out." She added, "It is a great tragedy that this has happened."

**BEHIND THE HEADLINES:
UJA CAMPAIGN FOR SOVIET JEWS CLEARS
HALF-WAY MARK, BUT FACES CHALLENGES**
By Andrew Silow Carroll

WASHINGTON, Sept. 26 (JTA) -- The United Jewish Appeal's Passage to Freedom campaign has raised \$38.4 million, or a little over half of what UJA hopes to raise by Dec. 31 to help resettle Soviet Jews in the United States and Israel.

UJA officials say they are pleased with the total and are confident the year-end goal will be reached.

Nevertheless, fund-raising officials around the country say the special Soviet Jewry campaign has not ignited grassroots enthusiasm among small and medium-sized donors, those who contribute \$5,000 or less to the regular UJA campaign.

Most of the money collected so far has come from "big givers," those willing to contribute \$100,000 or more to the regular UJA campaign.

To reach a broader base of contributors, UJA and Jewish community federations around the country have undertaken large-scale educational efforts to counter what they describe as the Jewish public's "misconceptions" about the size of the Soviet influx and the needs of the individual refugees.

Passage to Freedom was launched in March, with the intention of raising money for federations overwhelmed by record numbers of Jews being allowed out of the Soviet Union.

Federation-funded agencies provide job training and other services to Jewish immigrants, at an average cost of \$2,250 per immigrant.

'Call For Freedom Week' Set

Proceeds from the special campaign are to be divided equally for the resettlement of Soviet Jews in the United States and Israel, and will be used to supplement cost-saving measures being implemented by the federations.

These include offering Soviet Jews aid in the form of loans, rather than grants, and encouraging Soviet Jews already settled in the United States to house and aid the new arrivals.

According to Marvin Lender, the Connecticut businessman who chairs the campaign, 12 of the largest 42 cities participating in the campaign have already reached or exceeded their fund-raising goals.

"There is not only enthusiasm for this historic challenge, but there is additional momentum as we provide more and more education as to what the issues are," Lender said.

The need for increased public awareness led UJA to plan "Call for Freedom Week," which begins on Oct. 29 with a nationwide telethon.

"Our feeling is that the bulk of the money has come from large givers and from leadership," said Lender. "That's where the lion's share is coming from. But we are certainly going to the grass roots -- the so-called lower giving levels-- to help them understand what the issues are."

A UJA official explained that fund-raising campaigns usually follow the same pattern and that large givers "set the pace" for the lower giving levels.

Fund-raising officials also say the special campaign has not cut into the regular annual campaign, which they say is running ahead of last year's \$730 million pace.

"We have enough experience to indicate that any special campaign enhances the regular campaign," Carmi Schwartz, executive vice president

of the Council of Jewish Federations, said in a recent address to members of the National Conference on Soviet Jewry.

Still, many potential donors have expressed ambivalence about helping Soviet Jews settle in the United States rather than in Israel.

Others feel less compassion for the sometimes highly skilled Russian emigres than they did for the often destitute Ethiopian Jews who arrived in Israel in large numbers in 1984 and 1985.

'Not One Of The Easier Campaigns'

"It's not one of the easier campaigns," acknowledged Robert Forman, executive vice president of the Federation of Jewish Agencies of Greater Philadelphia.

Forman called the debate over the destination of the emigres "divisive and attention-getting," but said that givers are beginning to understand that the community has a responsibility to its new arrivals.

Philadelphia expects 1,500 emigres to arrive this year, at a cost of \$2,100 per arrival for three months of Federation-provided services.

Like many other federations, Philadelphia's waited until the fall began to launch a full-scale fund-raising effort on behalf of the emigres.

In New York, where 12,000 Soviet Jews have settled this year, the UJA-Federation of Jewish Philanthropies has pledges of \$7.4 million for the campaign and has collected \$5.6 million toward a goal of \$10 million to \$12 million.

Stephen Solender, executive vice president of the federation, called it "a very encouraging response, given the fact that we started after the regular 1989 campaign was well along."

In Chicago, \$1.8 million has been raised toward a goal of \$2 million, according to a spokesman for the Jewish Federation of Metropolitan Chicago.

"The response has been good," the spokesman said. "Obviously, it is different than if there were a war in Israel. But on the whole, there is a good, positive response and a recognition that the challenge is going to be for a number of years."

Concern About Assimilation

The Combined Jewish Philanthropies of Greater Boston has raised \$1.2 million toward a goal of \$2.5 million in its New Freedom Trail campaign.

Federation officials there have also tried to counter another community concern that arriving Soviets are going to "disappear from the community or become totally assimilated," said Barry Shrage, the federation's executive vice president.

"From all the studies, there is no indication" that Soviet Jews drop out of the Jewish community, said Shrage.

The debate over whether Soviet emigres should be settled in the United States or Israel may soon be settled by the federal government.

The United States is expected to allow fewer Soviet Jews to enter the country next year than have already applied to immigrate. This may force many to choose Israel over the United States.

But even so, federation executives expect the U.S. Jewish community will continue for some time to bear the financial burden of resettling Soviet Jews, be it in Israel or the United States.

Settling Jews in Israel is more expensive, said Shrage of the Boston federation.

Still, federation leaders acknowledge that a fund-raising campaign to resettle Soviets in Israel would be an easier "sell" to potential givers.