

VOL. 68 - 73rd YEAR

MONDAY, FEBRUARY 26, 1990

NO. 38

**BAKER TELLS ARENS U.S. EXPECTS
'QUICK' RESPONSE ON PEACE TALKS**

By David Landau

JERUSALEM, Feb. 25 (JTA) -- Israeli Foreign Minister Moshe Arens returned from Washington on Sunday with a stern message from Secretary of State James Baker.

It was that the U.S. administration expects a "quick -- very quick" response from Israel to Baker's compromise formula for getting an Israeli-Palestinian dialogue started.

Arens, who returned to Israel on the same flight as a delegation from the Conference of Presidents of Major American Jewish Organizations, declined to comment publicly on the session with Baker until he had a chance to brief Prime Minister Yitzhak Shamir, whom he met in Tel Aviv late Sunday.

But clearly, the differences between the United States and Israel that are delaying movement toward Israeli-Palestinian talks were not resolved during Arens' lengthy meeting with Baker on Friday. That explained the secretary's extra note of urgency, Bush administration officials said in Washington.

Shamir and Arens now find themselves under growing pressure from both Washington and their Labor coalition partners in Jerusalem. They are being asked to break the ice by agreeing to new ideas on the issue of who will represent the Palestinians in talks with Israel.

Until now, Shamir has refused to accept Palestinians from East Jerusalem or anyone deported from the administered territories.

Baker is said to have proposed that Israel drop controversial categories such as "East Jerusalemites" and "deportees," and focus instead on individuals.

The secretary reportedly suggested that in this way, persons linked to East Jerusalem by residency or work could find a place in the dialogue.

'We Are Not There Yet'

Similarly, persons once deported from the territories who had remained not involved in hostile organizations could be allowed back and accepted as delegates.

Palestinians outside the territories could consider them their representatives, while Israel could consider them as representing residents of the territories.

It remains unclear whether Shamir and Arens are prepared to accept that approach, which has been endorsed by the Labor Party leadership. It has given Likud a two-week deadline to move the peace process forward.

But Shamir is also under severe pressure from Likud's hard-line bloc to yield nothing.

In Washington, Baker called his meeting with Arens a "very constructive and hopefully very productive meeting." It ran nearly an hour and 45 minutes, an hour longer than scheduled.

But the extended time did not result in the announcement of a date for a meeting Baker is to have with Arens and Egyptian Foreign Minister Esmat Abdel Meguid. That meeting had been tentatively scheduled for January as a prelude to talks in Cairo between Israelis and Palestinians.

"We are not there yet, but I believe we are making some progress," Baker said when asked about it Friday.

"We are continuing to work on some of the same issues that we have been working on over the past months," he said, appearing to confirm reports that he is frustrated with the lack of progress.

Baker appeared to be putting pressure on Israel in statements he made to the House Foreign Relations Committee on Thursday, a day before the meeting with Arens.

Shamir Telephones Bush

He said that when he met with Meguid in Washington recently, the talks on the Palestinian representative and agenda issues "went very, very well."

"I foresee the possibility, if the foreign minister of Israel is in a position to be equally forthcoming and outgoing, that we might have some chance of making progress," Baker added.

This pressure was intensified when, later that day, President Bush was quoted as telling Shamir in a telephone conversation to move the peace process forward.

The president "expressed his hope that the peace process could move forward, so that the U.S., Israeli and Egyptian foreign ministers could meet, and that a meeting of Israeli and Palestinian delegations would take place in Cairo soon," the White House quoted Bush as saying.

The White House said Shamir had called Bush to thank him for Baker's efforts during a recent visit to Moscow to persuade the Soviets to permit direct flights between Moscow and Tel Aviv.

"The president thanked the prime minister for his statement, and said that the United States would continue to support free emigration from the Soviet Union," the White House said. "At the same time, the president reiterated U.S. opposition to any settlement activity."

(JTA correspondent David Friedman in Washington contributed to this report.)

**U.S. JEWISH LEADER URGES ISRAEL
TO DELAY PEACE PROCESS NO LONGER**

By Cathrine Gerson

JERUSALEM, Feb. 25 (JTA) -- The head of American Jewry's pre-eminent umbrella organization nudged Israel on Sunday to delay no longer implementing its own peace initiative, which includes negotiations with the Palestinians.

Secretary of State James Baker "is deserving of a response shortly," Seymour Reich, chairman of the Conference of Presidents of Major American Jewish Organizations, told reporters before the opening of the conference's annual meeting here Sunday night.

He was referring to the Bush administration's reported frustration with Israel's inability so far to agree on the terms for an Israeli-Palestinian dialogue.

Reich acknowledged in a television interview that Baker had set a deadline for progress in the Middle East, after which he would turn his attention elsewhere.

"Clearly the next two weeks are very critical," he said, adding that it would be very re-

grettable if the secretary of state abandoned the peace process.

Reich said he understands that what is holding the process up now is the need to allay Prime Minister Yitzhak Shamir's fears that Israel's security will be compromised.

The Israeli Cabinet will have to reach a decision, Reich said, adding that it is his "expectation that they will be able, hopefully, to move forward on the process."

Reich stressed that the Bush administration and the American Jewish community are anxious that the peace process proceed.

ARAFAT LETTER ON RIGHT OF RETURN GETS MIXED REVIEW FROM ISRAELIS **By Gil Sedan**

JERUSALEM, Feb. 25 (JTA) -- Signs of new flexibility from Yasir Arafat, conveyed in a letter to a Jewish peace group here Friday, have received a mixed reaction among Israelis.

In the letter, the Palestine Liberation Organization chairman expresses a willingness to negotiate on the right of return for Palestinians and says that Soviet Jews have a right to immigrate to Israel, but not to uproot Palestinians.

The letter also appears to endorse proposed preliminary talks between Israel and a Palestinian delegation that would exclude the PLO.

The Israeli political center and left find the letter conciliatory and believe it contains a promise of further moderation on the part of the PLO. But the right wing has been dismissive, and reaction from Palestinians in the administered territories has been sparse.

The six-page letter, transmitted by a facsimile machine, was the first Arafat has addressed to a meeting of Jewish leadership in Israel. It was sent to the International Center for Peace in the Middle East, which was holding its annual board of trustees meeting in Jerusalem.

The center, composed largely of dovish Israelis and American Jews, arranged the controversial meeting between Arafat and five American Jews in Stockholm in December 1988.

Arafat wrote that the PLO supports the rights of all people, including Soviet Jews, "to free movement and travel" and "to choose the country in which they wish to reside."

But he noted that "this right, like all others, has its limitations. It ends where other people's rights begin. The other people in this case are the Palestinians. They too have a right to live in their homeland and resist all attempts to uproot them."

A Threat Of Violence?

That is followed by a sentence which appears to threaten violence if the Israeli government forces Soviet Jews to settle in the administered territories.

"Jewish emigrants have the right to choose their destinations without being forcibly directed to any other place," said Arafat. "Any attempt to deny them that right could provoke dangerous explosions and deal a fatal blow to peace efforts."

Arafat acknowledged that one of the central Israeli concerns is the insistence of the PLO on the right of Palestinians to return from abroad to live in their ancestral homes in Israel.

"The right of return is sacred," Arafat wrote. "However, we are ready to discuss the conditions of its application on the basis of (U.N.) Resolution 194."

According to Hebrew University Professor Moshe Maoz, a Middle East scholar, this is definitely a change in the PLO's position.

Until now, the PLO has insisted on the "collective right" of the Palestinians to return to their homes in Israel. Now the reference is to U.N. Resolution 194 of 1949, which grants the Palestinians the right to return "on an individual basis" or alternatively to receive financial compensation, Maoz pointed out.

Arafat's letter moved closer to the Egyptian position on Jewish immigration, which supports the Jewish right to immigrate but opposes Israel's right to settle new immigrants in the administered territories.

Doves And Hawks At Odds

The letter heartened such Knesset doves as Michael Bar-Zohar of the Labor Party and Yair Tsaban of Mapam, the United Workers Party of Israel.

Bar-Zohar, who represents the activist element in Labor, claimed the persistent refusal to negotiate with the PLO had softened Arafat's stand. He suggested that the only remaining obstacle between Israel and the PLO is the Palestinian demand for an independent state.

Tsaban predictably urged Prime Minister Yitzhak Shamir to reconsider his refusal to talk to the PLO, in light of Arafat's letter.

Uzi Baram, former secretary-general of the Labor Party, suggested the letter was another signal of change inside the PLO.

But Uzi Landau of Likud said there was no substance to Arafat's letter, because the Palestinian National Covenant upholding the right of return remains unchanged.

Professor Yuval Ne'eman, head of the far right-wing party Tehiya, said that by "expressing readiness" to discuss the right of return, Arafat was placing an issue on the national agenda that was not there in the first place. So far, no party in Israel has related to that issue, he said.

Palestinian leaders in the West Bank said that apart from being a "first," the letter reflected "known PLO views."

Said Can'an, a Nablus businessman close to the PLO, said Arafat's comments on the right of return reflected a "flexible attitude but did not amount to renouncement of that sacred right."

"Those Palestinians who do not wish to go back to Israel can be compensated for the loss of their property and live in the West Bank and Gaza," he said.

Backs Israeli Elections

In his letter to the Israeli peace group, Arafat reiterated the PLO view that the only way to a viable peace lies in an international conference, because "the fears of the Israelis and Palestinians can only be quelled by international guarantees."

But he said that in the interest of creating contacts that could lead to such a conference, "the PLO once more leaned over backward and approved the idea of a dialogue between representatives of the Israeli government and representatives of the Palestinian people in the occupied territories and the diaspora."

The PLO approved this, Arafat said, "on the understanding that this dialogue would be part of a peace process aimed at a comprehensive and final settlement, and that its agenda would cover all the conceptual ingredients of that process, including the elections" proposed by Israel.

ARAB CALL TO CURB SOVIET ALIYAH ASSAILED BY WORLD JEWISH LEADERS

By David Landau

JERUSALEM, Feb. 25 (JTA) -- Three world Jewish leaders have issued a joint condemnation of efforts by several Arab states to curtail immigration to Israel from the Soviet Union.

The statement was released here Friday, as the Arab Cooperation Council prepared to meet the following day in Amman, to adopt "a series of practical measures" against Soviet immigration to Israel.

Reports from Amman late Saturday said that the council agreed to convene a meeting of Arab foreign ministers next month in Tunis to plan the campaign.

Jordan, which hosted the meeting, has expressed concern that Israel intends to move masses of Soviet Jews into the West Bank, forcing Palestinians into Jordan, where more than half the population already is Palestinian.

Many right-wing Israelis insist that Jordan is, in fact, the Palestinian state.

Two ministers of Israel's Labor Party opposed at the weekly Cabinet meeting Sunday that Israel offer assurances to Jordan.

"Israel should declare publicly and officially that she does not intend to direct immigrants to the territories and that she respects Jordan's independence," Education Minister Yitzhak Navon and Mordechai Gur, a minister without portfolio, declared.

The joint statement condemning the Arab campaign against Soviet aliyah was signed by Edgar Bronfman, president of the World Jewish Congress; Seymour Reich, chairman of the Conference of Presidents of Major American Jewish Organizations; and Simcha Dinitz, chairman of the Jewish Agency and World Zionist Organization Executives.

'Free And Unfettered Immigration'

It expressed appreciation for "the recent positive move by the Soviet authorities in the direction of free emigration, in accordance with international standards and obligations."

That policy, they said, "has fostered greater understanding between the people of the USSR and world Jewry."

But the Jewish leaders deplored "those who would seek for crass political reasons to deny the Jewish people their historical and basic right of national self-determination by attempting to undermine or otherwise interrupt the immigration of Jews to the Jewish state."

"We pledge to oppose and resist this insidious effort, which goes to the heart of the Jewish nation's existence and development," the statement by the Jewish leaders said.

They also pledged their "full and undiminished support for the free and unfettered immigration of Jews to the State of Israel."

Dinitz, meanwhile, has cabled instructions to Zionist federations and bureaus all over the world on how to combat Arab efforts to disrupt aliyah, WZO officials told the Jewish Telegraphic Agency.

Dinitz wrote that the Arab campaign was an extension of their struggle against Israel's existence and should be resisted as such.

The argument that the immigrants are being settled in the administered territories is a specious excuse, Dinitz said. He noted that, in fact, only a tiny fraction of new immigrants actually settle in the West Bank and Gaza Strip.

VACLAV HAVEL, HONORED IN NEW YORK, VOICES SUPPORT FOR JEWISH CONCERNS

By Allison Kaplan

NEW YORK, Feb. 25 (JTA) -- Czechoslovakia's new playwright-turned-president, Vaclav Havel, greeted a delegation of American Jewish leaders just before attending a star-studded concert held in his honor here last Thursday evening.

During a 15-minute meeting with the Conference of Presidents of Major American Jewish Organizations, Havel reiterated his opposition to the 1975 U.N. resolution equating Zionism with racism.

"I didn't approve of it then; I don't approve of it now," he said in response to a question about the resolution.

The delegation also told Havel of its concern over the Soviet Union's refusal to implement an agreement for direct flights between Moscow and Israel.

Havel replied that he hoped the impasse would "soon be resolved" and that he had discussed the matter with Israeli Foreign Minister Moshe Arens in Prague on Feb. 9, when the two countries re-established diplomatic relations.

After the meeting, Havel proceeded to Manhattan's Cathedral of St. John the Divine for a special concert in his honor organized by producer Joseph Papp. It included performances by Paul Simon, Placido Domingo and Dizzy Gillespie.

One of the speakers at the celebration was writer and Holocaust survivor Elie Wiesel, who recalled that as a young boy in Transylvania, he would look jealously across the river at Havel's country.

Before World War II and Soviet domination took their respective tolls, Jews living in Poland and Hungary thought of Czechoslovakia as a place where "ethnic political and religious groups could live in peace," Wiesel said.

Today, the Nobel laureate told Havel across the vast cathedral, "I am no longer a small boy who looks across a river with envy, but we now all look at you and your kinsmen with pride."

Earlier in the day, Havel was presented with an award from the Appeal of Conscience Foundation by its president, Rabbi Arthur Schneier.

ISRAELI MARKET CODDLING SOVIET OLIM By Hugh Orgel

TEL AVIV, Feb. 25 (JTA) -- With an influx of more than 8,000 since the beginning of the year and still larger numbers expected, Jewish immigrants from the Soviet Union constitute an important consumer market, and Israeli manufacturers are striving to cater to their tastes.

Ryazhinka, a yogurt-like Russian drink, has appeared on the market here. Its name is imprinted in large Cyrillic letters on a bottle bearing the red and yellow colors of the Soviet flag.

Israel's largest frozen-food firm will soon introduce what it calls a "Russian medley," a selection of frozen vegetables "most common in the rural villages, particularly in the Ukraine."

A supermarket chain is working with a fish processor to produce "kilka," marinated sardines that appeal to the Russian palate.

Bakers are preparing to add Russian-style sour black bread to their stock. A sugar-packaging plant is already turning out bags with the inscription in Russian, "Welcome to the Sweet State."

USE OF EXPLOSIVES IN JERUSALEM MAY SIGNAL ESCALATION OF UPRISING By Gil Sedan

JERUSALEM, Feb. 25 (JTA) -- The use of firearms, gasoline bombs and other explosives has escalated as the intifada continues in the administered territories and Jerusalem.

Israeli sources say the reason is the perceived "stalemate in the political process" and encouragement derived from the "successful attack" on an Israeli tour bus in Egypt on Feb. 4, in which nine Israelis and two Egyptians died and 18 Israelis were injured.

Seven Israeli cars were set on fire by gasoline bombs in Jerusalem over the weekend. No one was hurt, but damage was done.

Moshe Mihli, the 34-year-old security officer at the West Bank settlement of Kedar, east of Jerusalem, was injured Friday by an explosive charge while inspecting a water pipe leading to the community.

He suffered wounds to his face and underwent eye surgery at Hadassah Medical Center in Jerusalem.

Military sources in the Gaza Strip said they were prepared for the greater use of firearms and explosive charges.

They said the various local terrorist groups, once without arms or ammunition, now possess substantial arsenals of hand grenades, homemade bombs and rifles either lost or stolen from the Israel Defense Force.

Israeli vehicles move around the Gaza Strip only in pairs, in fear of attacks.

"It is difficult to know nowadays where the grenade or petrol bomb will come from," a military source said.

ISRAEL AIR FORCE HITS TERROR BASES By Hugh Orgel

TEL AVIV, Feb. 25 (JTA) -- Israeli air force jets attacked terrorist bases in southern Lebanon last Thursday and Friday and returned safely to their bases, a military spokesperson announced.

The targets were located in the vicinity of Leb'a, east of Sidon on the southern Lebanon coast. They were not further identified.

According to the spokesperson, the raids were pre-emptive. Their purpose was to disrupt training and preparations for attacks on Israel Defense Force positions in the southern Lebanon security zone and in Israel itself, the spokesperson said.

HERZOG ASSAILS PRISON CONDITIONS By Hugh Orgel

TEL AVIV, Feb. 25 (JTA) -- Israel has the highest number of prisoners per capita in the world.

Its prisons are overcrowded and are the most densely populated, President Chaim Herzog told the nation in his monthly radio talk Friday.

He said there are 150 prisoners for every 100,000 people in Israel, not including security prisoners.

Comparable figures in Europe range from 29 per 100,000 in Holland to 114 in Austria.

Herzog also pointed out that while prisoners in the United States have an average of 19 square yards of space per inmate and European prisons average 12 to 14 square yards, prisoners in Israel are allotted only 2 to 3 square yards.

AIR TIME GIVEN REVISIONIST OUTRAGES AUSTRALIAN JEWS By Jeremy Jones

SYDNEY, Feb. 25 (JTA) -- Australian Jewry was shocked and angered by a top-rated radio broadcaster in Perth, Western Australia, who gave air time and credibility to an American propagandist claiming scientific proof that the Holocaust never occurred.

Howard Sattler, who writes a weekly opinion column in Perth in addition to his radio show, interviewed Fred Leuchter, a self-described engineer from Boston.

Leuchter has been peddling a report which disputes the overwhelming eyewitness evidence that Jews were gassed to death at Auschwitz-Birkenau, Majdanek and other death camps.

He claimed on Perth radio that they "died of malnutrition" and that the deadly Zyklon-B gas was used "for disinfecting bed linens, delousing."

Sattler ended the interview by telling his audience, "The story we just covered relates to the so-called Holocaust, where we have been told that millions of Jews suffered in the concentration camps, the Nazi camps during World War II."

Sattler went on in his breezy way, saying, "We've got the man who's produced a report lobbed on my desk" who "said that he's an engineer."

Sattler admitted he didn't know where Leuchter had an engineering degree, and Leuchter has previously admitted under cross-examination that he has no such degree.

Nevertheless, Sattler told his audience that Leuchter has "been over there and had a look" at Auschwitz, Birkenau and Majdanek, and determined that the gas chambers "could not have been used as gas chambers."

Holocaust survivors among Perth's Jewish community responded to the interview with personal testimonies of the suffering they had witnessed and endured.

The independent newsletter Australia-Israel Review observed that Sattler is the first Australian journalist to give air time to a piece of neo-Nazi propaganda that has been making the rounds of the country for months.

Leuchter's allegations were widely circulated here last year by lawyer John Bennett, who heads the Australian Civil Liberties Union, a group that devotes itself to debunking the Holocaust.

JNF BACK IN BUDAPEST AFTER 51 YEARS By Cathrine Gerson

JERUSALEM, Feb. 25 (JTA) -- The Jewish National Fund has returned to Budapest, following a hiatus of some 50 years.

JNF, which first opened an office in the Hungarian capital 80 years ago, came back to the city on the Danube on Feb. 13. Although it has not yet been recognized as an official organization, JNF will function within the framework of the Jewish Cultural Association of Hungary.

At a preliminary meeting, it was decided that JNF will apply for official status after the nationwide elections March 25, the first free elections since the Communists took control of Hungary after the war.

JNF was active in Hungary from its inception there in 1910 through the early 1940s, when Hungary joined the Nazi Axis. Following the war, the occupying Soviet forces declared all Zionist organizations illegal.