

**EUROPEANS MAY SUPPORT SENDING
PEACEKEEPING FORCE TO TERRITORIES**

GENEVA, May 24 (JTA) -- Some European leaders appear to be receptive to the idea of sending a United Nations peacekeeping force to Israel's administered territories.

Palestine Liberation Organization leader Yasir Arafat is expected to call for the dispatch of a full-scale international force to the West Bank and Gaza Strip when he addresses the U.N. Security Council here Friday.

That would be a more far-reaching move than simply sending a U.N. observer team into the territories on a short-term basis, a proposal the United States is willing to discuss but which Israel strongly opposes.

But in Belgium, Foreign Minister Mark Eyskens welcomed the idea of a U.N. peacekeeping force and proposed that the European Community participate in its formation.

His suggestion was favorably received in the Netherlands by the coalition partners in the Dutch Cabinet.

Eyskens' proposal for E.C. involvement was welcomed by Hans Gualtherie van Wezel, a leader of the Christian Democrats in the Dutch Parliament. He said in a radio interview Thursday that Dutch Foreign Minister Hans van den Broek could not oppose the idea if a majority of the E.C. supported it.

Adrian Melkert, junior foreign affairs specialist of the Dutch Labor Party, who recently returned from a visit to Israel, also enthusiastically supported a U.N. peacekeeping force and said Holland could contribute to it.

In Rome, the leader of Italy's Communist Party, Achille Occhetto, called for E.C. sanctions against Israel and U.N. intervention.

Given the "abnormal" situation in the territories, "one cannot maintain normal relations with Israel," Occhetto said. He urged the E.C. to get tough with Israel. "There needs to be procedures above and beyond condemnation," he said.

Will Request Israeli Withdrawal

Occhetto, whose party is the second largest in Italy, spoke Tuesday after meeting with PLO representative Nemer Hammad and the Saudi Arabian ambassador, Nasser al-Torki.

PLO officials told reporters here that in addition to asking for a U.N. force, Arafat will renew his offer to negotiate directly with Israel and meet with any Israeli official face-to-face, they said.

He will also call for the withdrawal of all Israeli forces from the territories and will ask the U.N. to keep its forces there until a final settlement of the conflict.

Though Arafat will likely introduce this call in Geneva, a vote on a resolution calling for U.N. intervention would only be voted on only after lengthy negotiations in New York next week, diplomatic sources here said.

U.N. spokesman Francois Giuliani stressed that "there is no question of any resolution or any decision to be taken in Geneva."

(Contributing to this report were JTA correspondents Edwin Eytan in Paris, Ruth E. Gruber in Rome and Henrietta Boas in Amsterdam.)

**U.S.-ISRAELI TIES FURTHER STRAINED
OVER PROPOSAL TO SEND IN U.N. TEAM**
By David Landau

JERUSALEM, May 24 (JTA) -- Prime Minister-designate Yitzhak Shamir stated categorically Thursday night that Israel would not accept or cooperate with any Security Council resolution to send U.N. observers to the West Bank and Gaza Strip.

A resolution to that effect was expected to be discussed Friday at a special session of the Security Council in Geneva. The council is convening there so that Palestine Liberation Organization leader Yasir Arafat can participate in the debate, which is expected to continue next week in New York.

Israel was badly shaken when Secretary of State James Baker told a news conference in Washington on Wednesday that the United States was prepared to discuss the dispatch of U.N. observers to the Israeli-administered territories.

In an Israel Television interview, Shamir said he hoped all "serious" parties understood that such proposals are counterproductive for the peace process.

Baker's assertion sent already strained relations between Israel and the Bush administration plummeting to new lows.

Shamir dismissed press reports of personal antipathy toward him by President Bush. The issues are not personal but concern national issues, he declared.

In Washington, State Department spokeswoman Margaret Tutwiler tried to defuse the controversy Thursday by stressing that Baker was not talking about permanent U.N. observers in the territories.

She said he had in mind an observer mission "to check on the situation" and asserted that the United States has always opposed a permanent observer force.

Bush Blames Lack Of Government

President Bush said Thursday that the way to end the violence in the territories is to resume the peace talks. "I will do everything I can to get the talks for peace going," he said at a White House news conference.

He blamed the lack of progress on the absence of an official government in Jerusalem. "The problem we face right now is almost an interregnum. There is no firm decision-making government in place," Bush said.

Shamir seemed to share Bush's concern when he agreed that the situation warranted, in the television interviewer's words, "a government of national emergency."

The prime minister-designate added, however, that such a government would have to conform with the present "political possibilities."

But Israel's anger over the possibility that the United States would support U.N. intervention in the territories it captured 23 years ago seemed to overshadow the immediate problem of forming a new government.

If such a resolution is raised at the Security Council debate, Israel will expect the United States to veto it, said Deputy Foreign Minister Binyamin Netanyahu.

Netanyahu said Israel has yet to be officially informed by the Bush administration of its position -- whether it is favorable or neutral toward the idea.

"But our position is clear and has been longstanding and consistent," he said. "We objected to it in the past, and we have not changed our policy. Israel will certainly expect that the United States not support such a resolution and, in fact, oppose it."

Other officials here said that the dispatch of U.N. observers to the territories would be an infringement of Israel's sovereignty and that Israel would not permit it, even if the Security Council passed such a resolution.

According to Yossi Ben-Aharon, director general of the Prime Minister's Office, it would encourage Arab extremists and prejudice prospects for peace.

Sharp Rebuke From Jewish Groups

Baker also got a sharp rebuke from the Conference of Presidents of Major American Jewish Organizations, the umbrella group representing 46 national Jewish organizations in the United States.

A statement issued Thursday in New York by its chairman, Seymour Reich, charged U.S. readiness to discuss U.N. intervention is "no way to treat an ally."

According to Reich, it "plays into the hands of Arab hard-liners and thus disserves the cause of peace."

Baker's remarks Wednesday received banner headlines in Israeli newspapers. Commentators said the statements reflected a further grave erosion in relations between the two governments.

Israel's relations with Washington have been sliding since Israel declined to accept an American plan for an Israeli-Palestinian dialogue as a prelude to implementing Israel's own plan for Palestinian elections in the West Bank and Gaza Strip.

International Standing At A Nadir

Labor Party leader Shimon Peres warned Thursday in a radio interview that Israel's international standing is at a nadir because of the standstill in the peace process. He said the Western nations felt that Prime Minister Yitzhak Shamir reneged on his own peace plan.

The situation could directly affect Israel's exports and chances of competing in the European Community, with serious consequences for the economy, Peres warned.

In the midst of the current turmoil, the Soviet Union on Thursday assured Israel that a delegation of Soviet officials scheduled to arrive here over the weekend was not a special fact-finding mission sent in the wake of the recent violence.

The Soviet consular delegation in Tel Aviv advised the Foreign Ministry that the visitors were Middle East experts from the Soviet Academy of Sciences whose trip was arranged several weeks ago.

But a mission due late Thursday from France is more closely linked to recent events.

Bernard Kushner, the French minister for humanitarian aid, is leading a parliamentary group to examine humanitarian needs in the territories. France reportedly rejected an Israeli request to reschedule the visit to a later date.

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

BUSH SAYS NOW IS NOT THE TIME TO GRANT SOVIETS TRADE BENEFITS
By David Friedman

WASHINGTON, May 24 (JTA) -- President Bush implied Thursday that he would not mind it if he did not have to face a decision on whether to grant the Soviet Union most-favored-nation trade benefits when he meets here next week Soviet President Mikhail Gorbachev.

"I think that there's a political climate in this country that would make it extraordinarily difficult to grant it," Bush said at a White House news conference.

Bush said he hoped the Soviet Union had made progress on agreeing to discuss independence for Lithuania before his four-day summit meeting with Gorbachev begins May 31. "I think many feel there's a direct linkage there," he said.

But Bush suggested that a decision on trade benefits "is not a bridge we're having to cross at this juncture," because the Soviet Union has not adopted emigration reform legislation, which he had made a condition for granting MFN status.

Secretary of State James Baker said Wednesday that although he had been told on his recent visit to Moscow that the Supreme Soviet would vote on the legislation May 31, new information indicated this would not occur on schedule.

State Department spokeswoman Margaret Tutwiler said Thursday that Baker gave this assessment after learning that the calendar for the Supreme Soviet did not include the legislation for debate on May 31. She said action on the bill could still occur that day.

BOMB BLAST MARKS SPEECH AT JERUSALEM DAY DINNER
By Allison Kaplan

NEW YORK, May 24 (JTA) -- A well-dressed, predominately Orthodox Jewish crowd was intently listening Wednesday evening to Dr. Jeane Kirkpatrick defend the right of Jews to rule over a united Jerusalem when suddenly a loud noise shook the room.

The former ambassador to the United Nations paused briefly as her audience looked up startled, but then coolly continued her speech.

The event at the New York Hilton hotel was the annual Jerusalem Day dinner for the Jerusalem Reclamation Project, a group dedicated to expanding the Jewish presence in the Old City of Jerusalem by purchasing property in the city's Moslem quarter and settling Jewish families there.

The crowd later found out the noise was a bomb exploding in an empty ballroom directly below the event. It was the second blast to take place within the week in New York at the site of a gathering of Orthodox Jews.

Police believe the explosion of the cardboard cylinder filled with M-80 firecrackers and BB shots could be linked to the detonation of a similar device Sunday at the New York Sheraton, where Vice President Dan Quayle was to address the Union of Orthodox Jewish Congregations.

Though the Jerusalem Day dinner proceeded calmly after the explosion Wednesday night, police immediately swept the hotel for more devices, and discovered next to an escalator another 8-inch by 2-inch cylinder wrapped in duct tape filled with BB shots and metal washers.

The Jewish Community Relations Council of New York has offered a \$10,000 reward for information leading to the arrest of the bombers.

U.S. OFFICIAL SAYS PLO DOES ADHERE TO STATEMENT RENOUNCING TERRORISM

By Howard Rosenberg

WASHINGTON, May 24 (JTA) -- A senior State Department official reiterated on Thursday the U.S. view that the Palestine Liberation Organization is adhering to its Dec. 14, 1988, statement renouncing terrorism.

John Kelly, assistant secretary of state for Near Eastern and South Asian affairs, defended the PLO's compliance before a hostile House Foreign Affairs subcommittee on the Middle East.

The hearing came two months after the State Department released its first of three yearly studies on the PLO's compliance with its December 1988 statement, which led to the start of a U.S.-PLO dialogue in Tunisia.

The organized Jewish community and staunchly pro-Israel members of Congress have criticized the report as a U.S. "whitewash" of the PLO's involvement in various infiltration attempts into Israel since that date.

The report noted nine infiltration attempts into Israel since the start of the dialogue, four of which were committed by PLO factions represented on its six-member executive committee. None of the acts were committed by Al Fatah, the main branch headed by PLO leader Yasir Arafat.

The United States does not consider the attacks to have violated the renunciation of terrorism because none was evidently planned or encouraged by the PLO executive committee or by Arafat personally.

Like Alice In Wonderland

No Israelis were killed in any of the four infiltration attempts by PLO factions, leading Rep. Mel Levine (D-Calif.) to argue that the United States would only consider similar attempts to be terrorist acts if "innocent Israeli blood is spilled."

Rep. Tom Lantos (D-Calif.) attacked many of Kelly's statements. "Alice in Wonderland" is a scientific document compared to your testimony," he remarked at one point.

The hearing focused on a definition of terrorism that Kelly said the State Department has been using for 21 years. "We consider terrorism to be premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine state agents, usually intended to influence an audience," Kelly said.

Under sharp questioning, Kelly said that despite the definition, the PLO could not strike military targets in Israel and necessarily escape having the act labeled as terrorism.

But he refused to say that the definition was outdated, leading lawmakers such as Lantos to say, "We don't trust your judgment" in evaluating PLO-attempted infiltrations into Israel.

Also, Kelly rejected the argument that in the Palestinian uprising, the Palestinians are committing acts of terrorism. Kelly quoted former Israeli Defense Minister Yitzhak Rabin as saying that he did not consider such actions to constitute terrorism.

Rep. Stephen Solarz (D-N.Y.) argued that "if the president of the United States renounced corruption but people in his Cabinet were found to be corrupt . . . and there's no effort to expel or discipline, people would rightly conclude that the president's renunciation of corruption had no meaning."

VIOLENCE DIMINISHES IN WEST BANK; JEWISH BABY RECOVERS FROM ATTACK

By Gil Sedan

JERUSALEM, May 24 (JTA) -- The level of violence diminished considerably in the West Bank on Thursday, as curfews were lifted in Ramallah and Tulkarm but were still kept in force in Nablus, Hebron, Jenin and in several villages and refugee camps.

The Gaza Strip remained entirely under curfew, except for Beit Hanoun at its entrance, where the curfew was lifted Wednesday as an experiment.

No violence was reported but a general strike continued.

One Jewish family, whose car was stoned Wednesday night in the West Bank, maintained a vigil at Hadassah University Hospital in Ein Kerem, where their 5-month-old son underwent emergency surgery for a severe head wound.

The infant, Ahikam Simantov, was reported in stable condition Thursday, though he was still confined to the intensive care unit.

The incident was the most serious to affect Jewish settlers since violence escalated in the territories after a reputedly deranged Jewish gunman murdered seven Arab laborers near Rishon le-Zion on Sunday.

A three-day hunger strike called in the territories to mourn the victims ended Thursday.

In Jerusalem meanwhile, police arrested a young Arab woman from the Gaza Strip who allegedly planned to stab Jews to avenge the killings at Rishon le-Zion. She is said to have come to Jerusalem by taxi Sunday for that purpose.

The suspect, identified as Wasfiya Abu-Najiba, 21, was found in possession of a 12-inch kitchen knife.

POLICE PROTECTING ARAB DAY LABORERS FOLLOWING SUNDAY'S MASSACRE OF SEVEN

By Hugh Orgel

TEL AVIV, May 24 (JTA) -- Regular and border police were deployed in force Thursday to guard areas where Arab day laborers from the administered territories wait to be hired by employers in Israel.

The protection was ordered following Sunday's massacre of seven Palestinian workers from the Gaza Strip and West Bank by a reputedly deranged former Israel Defense Force soldier, who sprayed them with bullets in a hiring area near Rishon le-Zion, south of Tel Aviv.

But the protectors seemed to outnumber the protected, observers noted Thursday. Relatively few Arabs from the territories showed up looking for work, in what have come to be known as the "slave markets."

Most Arabs from the Gaza Strip stayed home to mourn the dead, although the IDF was ready to lift the curfew sufficiently to let them leave for work.

Meanwhile, the Histadrut Executive Committee, with the notable absence of its Likud members, joined Jewish and Arab delegates from local workers committees at a special memorial session Thursday for the Rishon le-Zion victims.

The Likud representatives boycotted the session claiming it would only give the enemy another opportunity for "Israel-bashing."

In the end, Arab speakers were more moderate than many of their Jewish colleagues.

HAIFA BAY MAN FOUND GUILTY OF DESECRATING TOMBSTONES

By Hugh Orgel

TEL AVIV, May 24 (JTA) -- One of two Jews arrested for defacing tombstones was found guilty Thursday and the other was kept in custody pending the outcome of psychiatric examinations.

A Haifa magistrate's court will sentence 42-year-old David Goldner, a resident of Kiryat Motzkin, next week for spraying anti-Jewish slogans on more than 300 headstones in the Hof Carmel and Kfar Samir cemeteries during the night of May 12.

His co-defendant, 32-year-old Gershon Tennenbaum of Kiryat Yam, was held for further examination.

The two men, who described themselves as ba'al teshuvim -- returnees to Orthodox Judaism -- admitted their crimes while describing themselves as messianic envoys.

They said that as "emissaries of the Messiah," they wanted to free the Jewish people and draw attention to the dangers facing the Jewish people and Israel. Both have been described by police as "eccentric."

Their rampage through the cemeteries followed by two days the desecration of a historic Jewish cemetery in Carpentras, southern France, which drew worldwide condemnation.

Police investigators told the Haifa court that Goldner purchased six cans of black paint, which he used to spray anti-Jewish slogans -- dictated by Tennenbaum -- on the headstones. Their admitted purpose was to cast blame on Arabs.

HOUSE OF COMMONS PASSES RESOLUTION CONDEMNING SYNAGOGUE DESECRATIONS

By Michael Solomon

MONTREAL, May 24 (JTA) -- The wave of vandalism that hit Jewish cemeteries in Montreal, Quebec City and Ottawa last week was unanimously condemned by the House of Commons on Tuesday.

The deputies endorsed a resolution by Liberal Party House Leader Jean-Robert Gauthier deploring acts of racism and intolerance manifested by the desecration of cemeteries.

The resolution called "on all Canadians to reject such destructive and violent incidents."

The House resolution followed a gathering of 1,500 people of various faiths and backgrounds at a memorial service in Ottawa on Monday, to protest the desecration of the local Jewish community's only cemetery, in nearby Gloucester.

Many headstones were knocked over and spray-painted with swastikas.

Politicians, community representatives and others participated in the service.

Liberal opposition leader Herb Gray, an observant Jew, said, "We the living, Jews and non-Jews alike, must give a categorical rejection to this. If Jews in Canada can't be safe, then no minority in Canada can be safe. Evil will triumph if good men and women do nothing."

Because of the Memorial Day holiday in the United States, the JTA Daily News Bulletin will not be published on Monday, May 28. Because of Shavuot, there also will be no Bulletin on Thursday, May 31.

U.S. REFUSING TO ALLOW SALES OF SUPERCOMPUTERS TO ISRAEL

By Howard Rosenberg

WASHINGTON, May 24 (JTA) -- For more than two years, the United States has been refusing to allow U.S. companies to sell supercomputers to Israel, out of fear that they would be used to design nuclear weapons.

As a result, two of the three Israeli research institutions that are affected by that policy say they are losing hope that applications submitted on their behalf -- by Cray Research Inc. of Minneapolis and the International Business Machines Corp. of Rockland County, N.Y. -- will ultimately be approved.

Administrators at the Technion-Israel Institute of Technology in Haifa are now working "under the assumption that they are not going to get it," said Maia Hauser, spokeswoman for the American Society for Technion.

Norman Stein, director of government and foundation relations at American Friends of the Weizmann Institute, said that with the continuing delay, "we are considering canceling the order" because projections reveal that the supercomputer it is seeking, the IBM 3090, will be "obsolete within two years."

The United States is concerned that "supercomputers can be used for, or would have applications, in the area of nuclear weapons development or missile technology," said Tom Snead, spokesman for the State Department's Bureau of Oceans and International Environmental and Scientific Affairs.

Allow U.S. Inspection

To alleviate that concern, the Technion has agreed to allow U.S. officials to inspect the supercomputer at any time unannounced, Hauser said.

Early this year, the United States approved the export to India of a Cray supercomputer. India, like Israel, has not signed the 1968 Nuclear Non-Proliferation Treaty.

But in India's case, the United States accepted Indian assurances that the model would be used exclusively to study monsoons and other weather phenomena.

At the same time, the United States is continuing to deny the sale of supercomputers to Brazil, which has not signed the Nuclear Non-Proliferation Treaty.

Cray, however, has been allowed to sell or lease supercomputers to companies in Saudi Arabia and the United Arab Emirates, both of which have signed the Nuclear Non-Proliferation Treaty and wanted to use the computers for oil studies.

A State Department official dismissed a report by the Israeli daily Ha'aretz last month that Saudi Arabia has agreed to allow Iraq to link into its Cray 2 supercomputer, which is more advanced than the Cray X-MP the Technion has been seeking since 1988.

Saudi supercomputers "are not used by any unauthorized users, and that would certainly include Iraq," the official said.

Technion is in the middle of a \$3.5 million campaign to pay for the mainframe and computerization equipment that would accompany the Cray X-MP.

The Weizmann Institute has been seeking an IBM 3090 since early 1989. The IBM 3090 is considered less than 20 percent as powerful as the Cray X-MP.