

VOL. 68 - 73rd YEAR**MONDAY, JULY 23, 1990****NO. 136****PERES DEFEATS CHALLENGE BY RABIN
FOR LEADERSHIP OF THE LABOR PARTY**
By David Landau

JERUSALEM, July 22 (JTA) -- Shimon Peres decisively defeated a challenge by former Defense Minister Yitzhak Rabin for leadership of the Labor Party at a meeting Sunday night of the party's Central Committee.

But in doing so, he opened the door for a younger generation of Laborites to replace both veterans in time for the next Knesset elections.

The issue before the 1,363-member Central Committee was whether to hold elections for party chairman now or in 1992, when both Peres' term and that of the 12th Knesset expire.

Rabin wanted elections this month. Peres insisted he be allowed to serve out the office to which he was re-elected in 1988.

The Central Committee voted in favor of Peres by a margin of 54-46 percent, after an exhaustive but well-disciplined debate.

In the course of the debate, Peres indicated he might step down at the end of his tenure to make way for new blood. Delivering a highly emotional speech from a written text, he called directly on Rabin to enable a new generation of leaders to reach the top "before 1992."

That was seen as a broad hint that if he stayed on as chairman, he would encourage other would-be candidates for party leadership to grow in public stature during the next two years and would open up the top jobs in the party hierarchy to a broader slate before the next elections.

At least two young hopefuls, Ora Namir and Moshe Shahal, announced they would be candidates. More are expected to enter the contest.

The Central Committee also accepted Peres' proposal that the next chairman be elected by a series of primaries in which rank-and-file party members could vote.

Two Political Careers May Be Over

There seemed to be no rancor between Peres and Rabin after the Central Committee's decision.

Rabin made clear he would not regard his defeat as a reason to withdraw from the party's leadership ranks, and Peres indicated he would do nothing to remove him.

But political observers believe the political careers of both men may be nearing their end.

Rabin is considered unlikely to mount a new challenge, and Peres, having bested his longtime rival, may now find it easier to face the prospect of bowing out as the next Knesset elections approach, the observers said.

Peres has been Labor Party chairman since March 1977. Rabin's most effective arguments against him were that he had failed to lead Labor to an electoral victory over Likud since then and that he muffed the chance to form a Labor-led coalition after the Likud government was toppled by a no-confidence vote in March.

But Peres countered that Rabin was a full partner in the failed coalition-building attempt and could not disclaim his share of responsibility.

After the vote, Peres called for unity. Rabin said he accepted the Central Committee's decision. He said he hopes to work with Peres, adding, "He is the chairman, and I am a member."

**ARENS WINS U.S. SUPPORT FROM CHENEY
FOR SECOND PHASE OF MISSILE PROJECT**
By Howard Rosenberg

WASHINGTON, July 22 (JTA) -- The United States will support the second phase of Israel's development of the Arrow anti-tactical ballistic missile.

Israeli Defense Minister Moshe Arens announced the news Friday, after a three-hour meeting here with Defense Secretary Dick Cheney.

The Arrow, with a range of about 620 miles, is being designed to intercept and destroy Soviet-made Scud and SS-21 missiles in Syria and Iraq.

The missile, which is expected to be fully operational in five years, is a component of the U.S. Strategic Defense Initiative, popularly known as "Star Wars." Israel was invited to participate in the project by the Reagan administration.

Under the first phase of the project, which is expected to be completed next year, the United States funded 80 percent of the cost of the research, and Israel came up with the other 20 percent. The U.S. share amounted to \$158 million.

The same 80-20 cost-sharing ratio is expected to be used in Phase 2 development, which will cost about \$200 million.

Arens said other details about the program "have to be discussed," but it is expected to run three to four years, the Washington weekly Defense News reported.

In Tel Aviv, sources at Israel Aircraft Industries disclosed that the first test flight of the missile would be carried out within the next two weeks.

When asked to confirm this, Israeli air force Cmdr. Avihu Bin-Nun said Friday that the two-week estimate was a "good assumption."

Joint Military Talks Postponed

Meanwhile, a new potential pinprick in the U.S.-Israel relationship developed Friday, when it was revealed that U.S. Secretary of State James Baker had postponed the annual meeting of the Joint Assistance Planning Committee, which was to have begun this Tuesday.

Arens did not mention the cancellation. But at the State Department, spokeswoman Margaret Tutwiler said the meeting, which would deal with U.S. military aid to Israel for the 1992 fiscal year, was postponed until September because the administration and Congress are presently engaged in a "budget summit."

The negotiations could affect the military aid figure, presently a \$1.8 billion grant, so the meeting was postponed "to give us more time to prepare," Tutwiler said.

But she rejected a suggestion that some Israelis might view the postponement as an effort to pressure Israel to accept Baker's proposals on the Middle East peace process.

"Absolutely, it's not true," Tutwiler declared. "United States-Israeli relations remain strong. Our commitment to Israel's security and to the preservation of its qualitative (military) edge remains unshakable."

Tutwiler also explained that at its annual meetings, the joint committee discusses further U.S.-Israel security interest programs, Israeli defense requirements, Israeli purchases of U.S.

military equipment, cooperative research and development projects, technology transfers and any initiative either side wants to introduce.

Arens had asked for the meeting with Cheney right after he became defense minister in the Likud government led by Prime Minister Yitzhak Shamir. But the meeting was not announced until the day before it was held.

Arens, who left for New York following the meeting, received a 19-gun salute, the "full-honors arrival" ceremony given for the first Pentagon visit by a new defense minister. Hundreds of U.S. Army, Navy, Air Force, Coast Guard and Marine Corps guards were on hand as the Army band played four ruffles and flourishes.

After Arens and Cheney arrived on the edge of the grassy pavilion and inspected the troops, the band played Hatikvah and the Star-Spangled Banner. The 19 cannon shots were blasted over the pavilion edge into the Potomac River.

Among the dignitaries welcoming Arens was Gen. Colin Powell, chairman of the Joint Chiefs of Staff, who stood with the other chiefs of staff behind Arens and Cheney. Powell recently visited five countries in the Middle East, including Israel.

(JTA correspondents Hugh Orgel in Tel Aviv and David Friedman in Washington contributed to this report.)

LEVY MAY ASK BAKER FOR ASSURANCES ON PALESTINIAN STATE, TALKS WITH PLO By David Landau

JERUSALEM, July 22 (JTA) -- Israeli Foreign Minister David Levy is reported to be considering whether to ask the United States for written assurances that it will not support the creation of a Palestinian state or require Israel to negotiate with the Palestine Liberation Organization.

Levy is scheduled to meet with U.S. Secretary of State James Baker in Washington on Aug. 9 or 10, the State Department announced Friday in Washington.

In announcing the visit, department spokeswoman Margaret Tutwiler said Baker "wants to work with the new government of Israel to create a common and credible basis on which to move on the peace process."

Levy is also looking to maximize the areas of agreement between Israel and the United States. He indicated as much in an Israel Television interview last week.

Political sources therefore speculated that Israel might soften its stance on Baker's proposals for advancing the peace process if Levy could win written guarantees from the United States on creation of a Palestinian state and Israeli negotiations with the PLO.

Levy's advisers maintain that such guarantees are consistent with what has been publicly stated U.S. policy all along.

But it is not clear whether hard-line elements in the Likud coalition government would approve anything in the way of Israeli concessions to Baker's proposals.

Israel has rejected Baker's plan for an Israeli-Palestinian dialogue in Cairo, because Baker wants the Palestinian delegation to include residents of East Jerusalem and Palestinians deported from the West Bank and Gaza Strip.

The Likud government maintains that including them would give legitimacy to the claims of Palestinians outside the West Bank and Gaza Strip, including the PLO.

Baker initially responded with anger to the

new government's position, telling a congressional panel in June that it was up to Israeli to get the peace process moving and that it was ready, it should telephone the White House.

U.S. Now Trying To Work With Israel

But now the Bush administration appears to be signaling that it feels it can work with the Likud-led government.

Defense Minister Moshe Arens, a former ambassador to Washington who has many friends in the administration, received a warm welcome to the U.S. capital Friday, when he met with Defense Secretary Dick Cheney.

Arens is being looked on with favor in Washington because since becoming defense minister, he has sought to keep Israeli forces from engaging in conflicts with Palestinians in the territories, has released 400 Palestinian prisoners and has been meeting with local Palestinian leaders.

As for Levy, Jewish sources and others have been telling reporters and members of the administration that he is more of a pragmatist than a hard-liner. Levy reportedly was pleased by a letter from Baker in which he was called a problem-solver.

Levy's meeting with Baker will be their first since the Likud foreign minister took office last month.

They had been tentatively scheduled to meet in Paris July 18 or 19. But Levy, who suffered a mild heart attack on June 14, was not permitted by his doctors to travel.

His first high-level diplomatic encounter will occur here Monday, when Levy receives a senior delegation of the European Community, headed by the current president of its Council of Ministers, Italian Foreign Minister Gianni de Michelis.

They are making a one-day visit to Jerusalem. Israeli sources said the European diplomats have agreed to a request from Washington not to advance separate, alternative proposals for the peace process at this time, but rather to urge the parties to the Middle East conflict to cooperate with Baker's plan.

Israeli sources say Baker is coordinating Middle East policy with the Italian foreign minister. After leaving Jerusalem, the E.C. delegation will go to Tunis for meetings with the PLO leadership.

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

ISRAEL DENIES BLOCKING BRIDGES By Hugh Orgel

TEL AVIV, July 22 (JTA) -- Israel's Defense Ministry has dismissed Jordanian charges that Israel has been blocking passage across the bridges that cross the Jordan River.

The bridges link Jordan with the West Bank.

The Defense Ministry pointed out Friday that the number of crossings last month was greater than before the intifada broke out in December 1987.

"There is no truth to the claim that Israel is obstructing passage via the Jordan River bridges. The opposite is true," a statement issued by the ministry said.

"Israel exerts great effort in order to enable orderly passage via the bridges, and if there are those who are not able to do so, it is the result of the need to handle unforeseen numbers of visitors," the Defense Ministry said.

EMIGRATION OF ETHIOPIAN JEWS NOW EXPECTED TO RESUME SHORTLY

By David Landau

JERUSALEM, July 22 (JTA) -- The flow of Ethiopian Jews to Israel, said to have been interrupted over the past few weeks, is expected to resume shortly, according to authoritative sources.

Meanwhile, the thousands of hopeful emigrants who have gathered in the capital city of Addis Ababa are being taken care of well, officials of the Foreign Ministry and the Jewish Agency for Israel said at a joint briefing for reporters here late last week.

They disputed unconfirmed reports from Addis Ababa that the Jews were living there in miserable conditions, subject to rampant disease and attacks from criminal elements.

Authoritative sources confirmed to the Jewish Telegraphic Agency that there had been a cessation of emigration from Ethiopia for the past three weeks.

But they also confirmed an Ethiopian Foreign Ministry official's statement to the mass-circulation Israeli daily Yediot Achronot that the emigration will soon be resumed.

The official was quoted as saying his government has no intention of reneging on its agreement with Jerusalem to facilitate the emigration of Jews to permit reunification with their families in Israel. That agreement was reached last November, when Israel and Ethiopia re-established diplomatic relations.

Israel has vehemently denied reports that the emigration was halted because it had refused to supply the beleaguered Ethiopian regime with military equipment, including cluster bombs. The regime is reported to be losing its decades-long battle with Eritrean separatists and guerrillas in Tigre province.

Over the past few months, the bulk of the country's Jewish population has left native villages in the northern province of Gondar for the capital, hoping to emigrate.

Receiving Medical And Financial Aid

Earlier this month, both Israeli and Ethiopian officials expressed concern that non-Jews were infiltrating this group and slipping out of the country undetected.

Nevertheless, Ethiopia wants the emigration to resume with a low profile, according to the official cited by Yediot Achronot.

The Jewish Agency and Foreign Ministry officials denied reports that the Jews whose departure has been delayed in Addis Ababa are living under rapidly deteriorating conditions or that the authorities intend to send them back to their villages.

Such reports were made public last week by Knesset member Geula Cohen of the Tehiya party, who is also deputy minister of science and energy.

The Israeli officials said their representatives in Addis Ababa were in close contact with the Jews there, whose number they put at close to 12,000.

According to the officials, those waiting in Addis Ababa have the services of local doctors and have all been inoculated in preparation for their departure for Israel.

They are also receiving regular financial help, which lets them live in relative comfort while waiting to leave.

"Israeli representatives are in constant

contact with the authorities and are ceaselessly active to ensure that the process of family reunion of Ethiopian Jews with their relatives in Israel -- which the Ethiopian government is facilitating on a humanitarian basis -- goes forward," said a statement issued at the news briefing.

Jewish relief organizations in the United States also sought to allay fears that the community was being neglected.

A spokesman for the American Jewish Joint Distribution Committee said his organization has been giving humanitarian assistance to displaced people, including Jews, in Addis Ababa over the last few months, and had provided nurses, midwives and other forms of medical assistance.

The spokesman said that the JDC was working in Addis Ababa at the request of the Ethiopian government.

"Every Jew in Addis is being cared for and sheltered and given medical treatment when they arrive there," said William Recant, director of the American Association for Ethiopian Jews.

Recant pointed out, however, that "coming from a region that has been hit by drought and famine," Ethiopian Jews are likely to suffer deaths "in a community as large and diverse" as the one in Addis Ababa.

Recant said that yellow fever, meningitis, malaria and typhoid were all present in Ethiopia and that mortality rates were generally very high in the region.

(JTA staff writer Allison Kaplan in New York contributed to this story.)

BRITAIN TO MAINTAIN TIES TO PLO, REPORTEDLY AT THE REQUEST OF U.S.

London Jewish Chronicle

LONDON, July 22 (JTA) -- Britain will maintain its ties to the Palestine Liberation Organization, despite Yasir Arafat's refusal to condemn the May 30 attempt by members of the Palestine Liberation Front to attack civilians on Israeli beaches, Prime Minister Margaret Thatcher has confirmed.

Moreover, Britain's ties with the PLO may serve as a proxy for relations between the United States and the PLO, cut off last month because of Arafat's failure to condemn the attacks.

Thatcher, in a recent letter to Dr. Lionel Kopelowitz, president of the Board of Deputies of British Jews, said the Americans had asked Britain not to cut off contacts with Arafat, despite President Bush's decision to suspend talks between U.S. officials and the PLO in the wake of the abortive raid.

"We do not think it would be wise to break off our contacts with the PLO," she wrote. "Indeed, the Americans have urged us to maintain them."

"President Bush made it clear that Palestinian participation in the peace process is vital. This is our view, too," Thatcher wrote. "Too many Palestinians owe their allegiance to the PLO for a solution which excludes them to be durable."

Thatcher wrote to Kopelowitz in reply to his request that she follow America's example and cut contacts with Arafat.

Thatcher's response should be a major disappointment to the Israeli government. The Israeli ambassador to London, Yoav Biran, has been pressing the Foreign Office to stop holding meetings with PLO emissaries.

PUBLIC PRESSURE CAUSES REMOVAL OF TABLET TO SLOVAK NAZI TISO

By Josef Klansky

PRAGUE, July 22 (JTA) -- A memorial tablet to Josef Tiso, the wartime puppet leader of Slovakia, has been removed from the former Roman Catholic teachers college in the Slovak town of Banovce, where it was unveiled on July 8.

The tablet, which had been ceremonially placed on the building and blessed by the bishop of Nitra, Josef Korec, was taken down by order of the Slovak government, following a storm of protests.

During World War II, Tiso, a Roman Catholic priest, was president of a Slovak puppet state allied with the Nazis. He was responsible for the deportation of thousands of Slovak Jews.

The memorial tablet had been unveiled on the occasion of the anniversary of the foundation of the teachers college by Tiso when he was still a local priest.

In 1939, he became Adolf Hitler's collaborator in dismantling Czechoslovakia and the Nazis' choice for the presidency of the Slovak state set up by them.

Under his rule, nearly 60,000 Slovak Jews were deported from Slovakia to Nazi death camps between March and October 1942. Another 12,000 Jews were killed in the later years of the war.

Tiso was put on the list of war criminals by the Allies and extradited to Czechoslovakia for punishment. In 1947, Tiso was convicted by a court in Bratislava, the capital of Slovakia, of high treason, collaboration with the Nazis and crimes against humanity. He was later hanged.

There had been several attempts by clerical and separatist forces in Slovakia to present Tiso as a martyr to Communist regime.

The Christian Democratic Movement of Slovakia, one of the partners in the Slovak coalition government, also approved the tablet and, while condemning the "unforgivable deportation of the Jewish population from Slovakia," called for an "impartial evaluation of the past."

It also expressed disagreement with "triggering emotions" against Tiso and those responsible for the unveiling of the memorial tablet.

But after Czechoslovak President Vaclav Havel and a number of newspapers condemned it, Slovak Prime Minister Vladimir Meciar announced that the memorial tablet had to be removed.

ARAB LOBBYISTS IN BUDAPEST HIT WALL PROTESTING JEWISH TRANSIT TO ISRAEL

By Yehuda Lahav

BUDAPEST, July 22 (JTA) -- A group of Arab ambassadors protesting Hungary's granting of transit facilities to Soviet Jews immigrating to Israel apparently made no headway at a meeting with Prime Minister Jozsef Antall here last week.

Hungary's approach to the passage of Soviet Jews through Hungarian territory on the way to Israel did not change after the meeting with the Arab envoys, a government spokesman said.

He confirmed that the ambassadors had raised the question of transit but that the prime minister told them Hungary acts according to its longstanding tradition of granting humanitarian aid to refugees.

He defined Hungary's role in the movement of Soviet Jews as essentially "technical" and asserted that Israel gave Hungary guarantees that the newcomers from the Soviet Union would not

be settled in the administered territories, the spokesman said.

The government spokesman admitted in reply to other questions that the Arab ambassadors also complained of what they discerned to be an "anti-Arab approach" by the Hungarian news media.

They were told by the prime minister that the Hungarian press is free and not controlled by the government.

Antall said that many times, he himself had not been particularly pleased by the media's treatment of his government.

JEWISH AGENCY OPENS WARSAW OFFICE

By David Landau

JERUSALEM, July 22 (JTA) -- Jewish Agency Chairman Simcha Dinizt officially opened an office in Warsaw last Thursday, re-establishing the agency's formal presence in Poland for the first time since World War II.

The office has a staff of three, to assist Polish Jews and Jews in neighboring countries and those immigrating to Israel from the Soviet Union by way of Poland.

Dinizt, upon his return from Warsaw, reported Friday to Prime Minister Yitzhak Shamir on his talks with the Polish prime minister, Tadeusz Mazowiecki, and other Polish officials.

He said he had underscored in his talks with Polish authorities that Jewish leaders are following with great interest Poland's assistance to Soviet Jewish immigrants, a factor that would enhance Poland's image among Jews.

The Polish authorities seem to hope that by improving relations with Israel and Jews in general, they will attract international Jewish investors to Poland's precarious economy.

SENATE ADOPTS CIVIL RIGHTS BILL

By Howard Rosenberg

WASHINGTON, July 22 (JTA) -- To the delight of a number of American Jewish groups, the Senate last week adopted the Civil Rights Act of 1990, which makes it easier for victims of employment discrimination to win legal relief.

The 65-24 vote came July 18, hours after negotiations collapsed between the White House and key senators over language in the bill that President Bush argues could lead to quotas in hiring and promotion decisions.

But the White House said it still hopes a compromise can be reached with the House of Representatives that would allow Bush to support the bill. The president has indicated he will veto the bill if it remains in the form adopted by the Senate.

A House vote on the bill is expected before Congress begins its Labor Day recess in early August.

The bill, which was introduced in response to several recent Supreme Court rulings that have cut back the use of affirmative action, also allows victims of discrimination based on race, religion or sex to sue for damages.

A number of Jewish groups support the bill, including the American Jewish Committee, American Jewish Congress, Anti-Defamation League of B'nai B'rith, National Council of Jewish Women and Union of American Hebrew Congregations.

Agudath Israel of America, however, opposes certain provisions of the bill for similar reasons as those cited by Bush.