SHEVARNDAZDE SAYS ISRAEL-USSR TIES WILL KEEP GROWING AFTER HIS DEPARTURE
By Hugh Orgel

TEL AVIV, Dec. 27 (JTA) -- The outgoing foreign minister of the Soviet Union, Eduard Shevarnadze, assured Israel this week that there will be no significant change in his country's warming relations with Israel regardless of who becomes his successor.

Shevarnadze, who announced his resignation last week but agreed to stay on temporarily, was quoted as saying, "whoever is at the helm of the Foreign Ministry, Soviet-Israel relations will continue to develop."

He remarked were delivered at an historic juncture in those relations. At a 45-minute ceremony in Moscow on Monday, Shevarnadze accepted the credentials of Arye Levin, the first Israeli consul general in the Soviet Union in 23 years.

At a similar ceremony in Jerusalem on Tuesday, Levin's Soviet counterpart, Alexei Chistyakov, presented his credentials to Foreign Minister David Levy.

Shevarnadze expressed support for full diplomatic relations between the two countries but gave no indication when that might happen.

Levin quoted Shevarnadze as saying, "A good foundation has been laid and should serve as something to build upon. We must develop our relations further and negotiate peacefully an end to the crisis between Israel and the Arabs."

Levin said Shevarnadze stressed the need for an international conference to resolve the Arab-Israeli conflict, but did not insist it was a pre-condition for full diplomatic relations between the Soviet Union and Israel.

"No one will force Israel into anything. Israel won't have to accept a diktat," the Soviet statesman was quoted as saying.

Resolved Through Peaceful Means

According to Levin, Shevarnadze stressed that the Persian Gulf conflict "should be resolved by peaceful means," and that Saddam Hussein's recent threat to launch missiles against Tel Aviv should war break out "creates a dangerous situation."

Soviet Foreign Ministry spokesman Vitaly Churkin confirmed that Shevarnadze said the world must concentrate now on resolving the Gulf crisis, but after that "we must do our best in the interests of securing peace between Israel and the Arabs."

A statement issued by the Foreign Ministry described the establishment of consular relations with Israel as "a far-reaching step toward more normal relations."

The statement added that it would "help promote humanitarian communications, trade and contact in the economic and other areas."

In Jerusalem on Tuesday, Chistyakov, the new Soviet consul general, told Levy he would work to improve the dialogue between their countries and "help reach a stable peace in the Middle East, which guarantees the rights of all peoples and countries in the region and the interests of the international community."

Levy remarked that while he would never intervene in Soviet domestic politics, he could not help but express his hope that Shevarnadze might reconsider his decision to resign.

Before arriving in Israel in April, Chistyakov held diplomatic posts in Yemen, Egypt and Lebanon.

The Soviet Consulate General will continue to operate out of the Finnish Embassy in Tel Aviv until permanent quarters are found. During the period when there were no diplomatic relations, Finland represented Soviet interests in Israel.

Similarly, Holland had represented Israeli interests in Moscow and the former Israeli Embassy was in fact made an annex of the Dutch Legation.

Israel and the Soviet Union have not had full diplomatic ties since Moscow broke relations with Israel during the 1967 Six-Day War.

The thaw in their relationship began in 1987, when the Soviets sent a low level consular delegation to Tel Aviv. That was followed months later by an Israeli delegation dispatched to Moscow.

Since Levin and his small staff arrived in Moscow two years ago, they have processed some 200,000 Soviet Jews who have immigrated to Israel since 1989.

In Washington, meanwhile, the Soviet ambasador to the United States, Alexander Bessmertnykh, assured leaders of the World Jewish Congress that Shevarnadze's resignation would not effect Soviet Jewish emigration.

Soviet foreign policy will be marked by continuity, and there will be no cut in the flow of thousands of Jews now leaving the Soviet Union for Israel, the envoy told WJC Secretary-General Israel Singer and Elan Steinberg, executive director, at a meeting at the embassy on Wednesday night.

5,000 SOVIETS ARRIVE IN 24 HOURS; TENT CITIES TO BE USED FOR SHELTER
By Gil Sedan

JERUSALEM, Dec. 27 (JTA) -- A record 5,000 immigrants from the Soviet Union landed in a steady stream at Ben-Gurion Airport all day Wednesday and Thursday morning, as the government announced plans to shelter them in dozens of tent cities all over the country because of the acute housing shortage.

The shortage was made more apparent by the choice of 80 families who arrived Thursday to go to Jerusalem.

That was an unusually large number since Jerusalem has run a poor third after Haifa and Tel Aviv as the settlement area of choice among Soviet olim. Jerusalem is one of the few parts of the country where some housing is still available.

In addition, three hotels were put at the disposal of immigrants.

The Israel Land Administration said most of the tent cities would be in the central region and the area just south of it. They will receive municipal services from the nearest towns.

Lavor Knesset member Arnieh (Lova) Eliav, who just returned from a trip to the Soviet Union, said Wednesday that most immigrants were not deterred by the prospect of living in tents.

He said their chief concerns were unemploy-
ment and the possibility that Absorption Minister Yitzhak Peretz might deny them entry to the country on religious grounds.

Peretz, an Orthodox rabbi, claimed last month that 30 to 35 percent of the people applying for immigrant visas at the Israeli consular mission in Moscow were not Jewish in the eyes of halacha, or religious law.

On Thursday, Peretz met with Prime Minister Yitzhak Shamir and reportedly promised to present the ministry's plans to the Cabinet this Sunday for the absorption of 400,000 olim.

Peretz has refused until now to submit any plan, charging that Ariel Sharon, known as the aliyah "czar," was placing obstacles in his path.

PLAN FOR NEW HOMES IN WEST BANK WON'T JEOPARDIZE LOAN GUARDIANES
By Howard Rosenberg

WASHINGTON, Dec. 27 (JTA) -- Israeli plans to purchase 2,500 new homes for Jews in the West Bank have irritated the Bush administration but are not likely to jeopardize U.S. delivery of $400 million in loan guarantees, American and Israeli officials say.

The State Department said Wednesday it was "still working to implement the housing loan guarantee program" but was seeking "clarifications" through the U.S. Embassy in Tel Aviv, according to Adam Shub, a department spokesman.

The loan guarantees, which would meet 10 percent of the new demand for housing in Israel, will not be released until February at the earliest, an official at the Israeli Embassy here said Thursday.

Plans to put up the 2,500 homes were announced earlier this week in Jerusalem by Israeli Housing Minister Ariel Sharon. He told the Knesset 1,300 of the new units would be mobile homes, and the rest would be permanent structures.

Sharon said that the purpose of the project is to meet Israel's housing shortage, but not specifically to encourage Soviet immigrants to settle in the West Bank.

Seymour Reich, outgoing chairman of the Conference of Presidents of Major American Jewish Organizations, who was in Jerusalem when Sharon spoke to the Knesset, criticized the "tim ing of his announcement, just 10 days after the deportations of the four (Islamic) fundamentalist leaders" were ordered by Israeli authorities.

There was "no good reason to place Israel in the position to be a target of additional criticism from the United States or others," said Reich, who was in Israel to confer with Israeli leaders and introduce his newly elected successor as conference chairman, Shoshana Cardin. Also participating on the mission was the conference's executive director, Malcolm Hoenlein.

Reich said Sharon assured him that the 2,500 homes would be the extent of new housing in the territories for the next two years.

But the United States has little tolerance for even limited new housing projects in the West Bank, where roughly 100,000 Jews currently live.

"The United States is opposed to settlement activity in the occupied territories, which we believe is an obstacle to peace," said Shub of the State Department.

Shub pointed out that Israel has provided assurances to the United States that it will not "direct immigrants from the Soviet Union beyond the Green Line," that is, to areas Israel did not hold before June 1967.

Such assurances were contained in an Oct. 2 letter Foreign Minister David Levy sent to Secretary of State James Baker, and reaffirmed by Sharon on Monday.

Shub also restated that U.S. policy that "no housing loans may be used in the occupied territories," another condition that Levy and Sharon have pledged Israel will abide by.

An Israeli Embassy official here said Sharon's announcement is consistent with the "Likud-Herut ideology" of Israeli Prime Minister Yitzhak Shamir.

"The government never said it was going to stop settlements" or that it would not "strengthen" existing ones, the official said.

On the status of the loan guarantees, Reich said the U.S. ambassador to Israel, William Brown, told the Conference of Presidents delegation on Sunday that a visiting team from the State Department's Agency for International Development had posed a number of questions to the Israelis and that they were awaiting a response to some technical questions."

On Monday, Finance Minister Yitzhak Moda'i told the Jewish leaders that "he had responded to the questions the day before," Reich said.

Reich said it is "important" that the first $400 million be cleared for Israel soon, so that it can request more housing loans guarantees from Washington.

Getting all of the first $400 million in one piece may be an unlikely proposition. The State Department agency is leaning toward the idea of releasing the loan in three installments of $100 million to $150 million, said one of the Israeli Embassy officials.

The official said the delay is partly being driven by U.S. "political pressure." That apparently refers to U.S. opposition to separate Israeli plans to build 15,000 new housing units in East Jerusalem, which lies beyond the Green Line but is part of what Israel considers to be its indivisible capital.

Besides seeking more loan guarantees for housing, Israel may also seek loan guarantees to encourage U.S. companies to build factories in Israel to help employ the growing number of emigres, the Israeli Embassy official said.

WOMAN WHO STABBED FOUR CHILDREN FOUND NOT GUILTY IN NEW ZEALAND
By Jeremy Jones

SYDNEY, Australia, Dec. 27 (JTA) -- A woman charged with attempted murder for stabbing four children last July at an Auckland, New Zealand, day school has been found not guilty on grounds of insanity.

Pauline Williamson, who had a history of psychiatric illness, has been committed as a "special patient" to a psychiatric hospital after the Auckland jury took 15 minutes to decide that her illness had been responsible for the attack at Kadimah school.

Defence testimony said that Williamson is a paranoid schizophrenic who believed Jewish communal institutions located opposite her home were used by New Zealand's internal security organization to "monitor" her.

Witnesses at the trial confirmed she had yelled "kill the Jews" and "Jews must die" while stabbing the children, and that two boys would have died had they not received immediate medical attention.
NEW FACE OF ETHIOPIAN IMMIGRATION YIELDS MIX OF HOPE AND FRUSTRATION  
By Gil Sedan

ADDIS ABABA, Ethiopia (JTA) -- While thousands of Soviet Jews arrive nightly at Israel's Ben-Gurion Airport, thousands of potential immigrants from Ethiopia are praying only that the new pace of 200 departures for Israel per week can be maintained.

Last week, some 198 Ethiopian Jews left on a flight to Israel, and another group of 200 was expected to leave this week.

The combined total was more than came out in all of October and almost as many as came out during all of last month.

But the new feeling of hope shared by the thousands of Ethiopian Jews who gather daily on the grounds of the Israeli Embassy here is mingled with the sober realization that even this accelerated departure rate means it will take at least two years until the last Jew leaves the country.

Presently some 22,000 Ethiopian Jews, virtual refugees from their homes in the Gondar region, 450 miles north of Addis Ababa, live in horrifying conditions in the heart of the Ethiopian capital, waiting for their turn to join relatives in Israel.

But emigration is still proceeding at a slow pace, mostly because the Ethiopian authorities stick to the principle of family reunification.

The Ethiopian government generally does not allow its citizens to leave the country. But in the case of the Jewish population, it has made an exception, provided that the emigrés prove they have relatives expecting them in Israel.

Some Families Separated Forever

Some of the bureaucratic obstacles to emigration have been removed.

The Ethiopian government once required all potential emigrés to have documents, issued by authorities in their home region, verifying that they have no debts or that they have provided a local guarantor to cover potential debts.

Now, the authorities are satisfied with a guarantee provided by the Jewish Agency for Israel on behalf of the entire immigrant population.

But there is still a considerable amount of paperwork involved, with verification documents shipped back and forth among Ethiopian immigration authorities and Israeli officials both here and at the Jewish Agency offices in Tel Aviv.

The extended waiting time has brought the immigrants impatience, despair and sometimes tragedy.

A father who had lost two children to diseases contracted during the early days of the exodus is spending his days in a narrow shelter that used to house animals, waiting for the moment when he can fly to Israel to see his other two sons, who are already there.

A woman whose son is about to immigrate gets ready to return home to Gondar, with little chance of ever seeing him again. She is not Jewish, but her son is entitled to make aliyah because his Jewish father is already in Israel. She came to Addis Ababa to look after the 18-year-old until he could board the plane.

Various Jewish officials from abroad have tried in recent months to minimize the misery of the Ethiopian Jews.

A medical team sent by the American Jewish Joint Distribution Committee, under the direction of Dr. Ted Myers of San Francisco and assisted by 97 local health facilitators, tackled initial health problems and has brought down the monthly death rate from 39 in July to 13 in November.

Virtually all of the Ethiopian Jews have now been immunized against common infectious diseases, which are the largest killers in this impoverished country.

A cultural center, spread over 27 straw-roof huts on the grounds of the Israeli Embassy, offers basic education to some 3,600 children and youths in four shifts.

Grown-ups are kept busy in a mattress manufacturing project. They receive a monthly allowance that takes care of expenses they incur while waiting in Addis Ababa.

The Ethiopian government's attitude toward the Ethiopian aliyah is ambivalent.

On the one hand, the authorities have acquiesced to the fact that part of their population is leaving for another country. On the other hand, sources say, Ethiopia expects more progress in the form of economic aid from Israel and an improvement of relations with the United States.

If it were not for political problems, said a senior embassy official, "I could have gotten out the entire Jewish population within one week."

OPPOSITION PARTIES DEMANDING LEGAL ACTION AGAINST SHAS  
By Gil Sedan

JERUSALEM, Dec. 27 (JTA) -- The political community is in turmoil over charges by the state comptroller that the Orthodox Shas party flagrantly misused state funds allocated to it for legitimate political purposes.

The police confirmed Thursday that it has been investigating financial irregularities by Shas for the past three months.

Opposition parties are demanding legal action against Shas, which is a key component of Prime Minister Yitzhak Shamir's governing coalition.

She instructed the charges by State Comptroller Miriam Ben-Porat were groundless and stemmed from unreliable sources.

Ben-Porat said Shas refused to cooperate with state investigators, and recommended a $750,000 fine against the party, the maximum allowable for withholding information.

The comptroller's report accused Shas of violating the Parties Financing Laws, which regulate the allocation of government funds to the various political parties based on their showing in the last elections.

Specifically, the report says Shas withdrew state funds from its bank account but never disclosed how the money was spent.

The party allegedly made $20,000 loans to some of its key officials for their personal use.

In that connection, the report mentioned Communications Minister Rafael Pinhasi, Deputy Finance Minister Yosef Azran and Shlomo Dayan, all members of the Shas Knesset faction.

In addition, Shas was accused of paying yeshiva students to work in its election campaign. The students, exempted from military service to pursue religious studies, are forbidden by law to work.

Meanwhile, the police are continuing their investigation begun in May of alleged financial irregularities by Shas Interior Minister Arye Deri.

Deri is accused, among other things, of illegally transferring government funds to institutions affiliated with Shas. So far, no formal charges have been brought against him.
BEHIND THE HEADLINES:
PUBLIC DISPLAY OF MENORAHS, CRECHES
MOSTLY NON-ISSUE AFTER COURT DECISIONS
By Debra Nussbaum Cohen

NEW YORK, Dec. 27 (JTA) -- As the menorahs come down, the creches are put away and the legal dust begins to settle, a look at this year's debate over the public display of holiday symbols reveals that it was, as expected, a quiet season.

Legal experts had predicted that it would be relatively quiet, since U.S. Supreme Court decisions over the last few years have ruled that such displays are constitutional, as long as one faith's symbols do not stand alone but are part of a larger, "secular" seasonal exhibit.

In several communities, controversy over displays was resolved through negotiation involving civil rights defense organizations, religious groups and local elected officials.

There was, however, a sprinkling of legal challenges around the country, and in most of those cases, Chabad won. The Brooklyn-based movement of Lubavitcher Hasidim considers it a religious obligation to erect giant menorahs in public places.

In those instances where Chabad lost or did not win everything it wanted to, the group is appealing the decisions.

In Atlanta, the federal district court ruled that a menorah placed outside the state Capitol would not be permitted. It did not find conflict with the U.S. Constitution, but ruled on the basis of a state law prohibiting free-standing displays outside the Capitol.

And in Burlington, Vt., Chabad won the right to erect its giant candelabra, but not to keep it in a park adjacent to City Hall.

Appeal To Put It Up

The group moved the menorah, and is now appealing the right to put it up on the public property next to the municipality, according to Nathan Lewin, the Washington attorney who represented Lubavitch in the case.

Chabad enjoyed clear victories in other cases around the country.

The Beverly Hills, Calif., City Council had given permission to Chabad to put up its 28-foot menorah in a park across the street from City Hall.

The American Jewish Congress, four Jewish residents of the town and the American Civil Liberties Union immediately filed a federal civil rights suit against the city.

As a preliminary to the suit, the judge ordered that a similar-sized Christmas tree be displayed nearby if the menorah was to remain, and that only city workers could light the tree and menorah, to emphasize the symbols' secular nature.

He also ordered "no prayers, blessings, singing or rituals of any type or nature at the site of the display, in the temporary restraining order," according to Carol Plotkin, associate director of AJCongress' Pacific Southwest Region.

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NEW YORK, Dec. 27 (JTA) -- With New Year's Eve quickly approaching and no sponsor to pay for the traditional ball that drops from Times Square, comedian Jackie Mason came to the rescue and agreed to cover the cost.

"The tradition of the ball is almost as holy as Yom Kippur or Passover," Mason said. "When I heard that the whole tzimmes was threatening to cave in because of a lack of sponsors, I couldn't allow it. I couldn't bear to see this meaningful symbol and source of pride of New York disappear."

Steven Israel, owner of One Times Square, the building from which the ball is dropped, called Jyll Rosenfeld, Mason's manager, in search of help. Mason responded immediately, agreeing to give "whatever money was needed."

Estimating the cost to be "anywhere from $30,000 to 50,000," Mason said, "I've always been a compulsive spender. Thank God I make a living -- this donation won't wipe me out."

Mason emphasized that he is sponsoring the New Year's ball, or more accurately, the apple, because he is deeply grateful to his hometown.

"I'm doing this for my love of New York," he said. "It's the least I could do for the city that is my home and family."

Confirming that there will be no ball dropped on the eve of Rosh Hashanah, the Jewish New Year, Mason explained "New Year's is not a gentile or religious holiday. We in America all live by the calendar of this country and therefore share in the celebration of January 1."

Said Mason, echoing the words of Teyye the milkman, "I had to help out and save the ball -- it's tradition."