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#### LATEST BAKER VISIT TO ISRAEL ENDS ON SOUR NOTE OF MISTRUST By David Landau and Gil Sedan

JERUSALEM, April 21 (JTA) -- A pervasive gloom appears to have settled in official circles over the weekend following U.S. Secretary of State James Baker's third round of talks with Israeli leaders here.

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The most Prime Minister Yitzhak Shamir and Foreign Minister David Levy could tell their Cabinet colleagues Sunday was that there is "no crisis" in relations with the United States.

But well-placed Israeli officials spoke of a "mutual lack of confidence" between the Shamir government and the Bush administration that may have soured the latest round of talks.

By contrast, spirits were high in East Jerusalem, where Baker reportedly made certain promises to a trio of local Palestinian leaders with whom he met for over two hours on Saturdav.

Later Saturday, he went to Jordan, for meetings with King Hussein, followed by a stop in Cairo, for meetings Sunday with Egyptian President Hosni Mubarak

While Baker did not say much about the outcome of those talks, there has been clearly no breakthrough in the meetings Baker has been conducting in the region since mid-March over how to get peace talks started.

Israeli officials have now accused the United States of backing away from positions it had agreed to earlier.

"The talks continue," Health Minister Ehud Olmert told reporters after the full Cabinet was briefed Sunday. He conceded "disagreements" with the Americans, but no crisis.

#### 'All The Heat Is On Israel'

The government's disappointment, frustration and growing feeling that it has been let down by Washington were echoed by the health minister's brother, Dr. Yossi Olmert, who is director of the Government Press Office.

"The Arabs have not delivered anything, but we are being asked to make concessions," he told the Jewish Telegraphic Agency in an interview Sunday, "We feel all the heat is on Israel,"

Those remarks contrasted sharply with the almost jubilant feeling in Jerusalem at the close of Baker's second visit on April 10.

By endorsing a regional conference to serve as opener for direct talks, Israel seemed to have captured the diplomatic high ground, especially

after the Arabs gave the idea a cold reception. But the atmosphere changed markedly in the week between Baker's two forays into shuttle diplomacy in the region.

As Olmert, the press office chief put it, Israel feels a "basic discrepancy" in the American approach to the two sides in the conflict.

Unlike Israel, the Arabs have only to hint a readiness to negotiate with Israel and they are credited with making a "concession," he said.

Olmert implicitly confirmed media reports that Baker had asked Shamir to agree to some sort of U.N. involvement in the proposed conference and a role for the European Community.

That would be tantamount to an interna-

tional conference, which Israel ruled out from the

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The Arabs, for their part, are not happy with the idea of a ceremonial regional conference that would permanently adjourn as soon as bilateral talks got under wav.

#### No 'Give' On Jerusalem Issue

Olmert disclosed that Syria demanded "an effective conference" instead of the Israeli prescription.

Baker, who has taken to referring simply to a "peace conference," is trying to find a middle ground between the two positions.

He is also trying to prod Israel to agree to talk to local Palestinian leaders linked by residence or registration to East Jerusalem.

The Shamir government refuses on grounds that to recognize an East Jerusalem Arab as a negotiating partner would compromise Israel's claim to sovereignty over the entire city.

On that point, there is unlikely to be any "give," Olmert said. But he thought there could be "fruitful negotiations" over the conference format.

Olmert told JTA that Baker was not able to assure Israel that Saudi Arabia and Kuwait would participate in the proposed conference.

The two conservative Persian Gulf regimes are reluctant to become involved in any process that could raise controversy in the Arab world,

he explained. The Saudis could offer to ease the Arab boycott of countries trading with Israel, but they

have not done so, even unofficially, he observed. According to media accounts, Israel did not offer a positive response to Baker's urging of an exchange of "confidence-building" measures with

the Palestinians. The Shamir government refused a freeze on settlements in the administered territories in exchange for an easing of the Arab boycott.

According to the daily Ha'aretz, the Palestine Liberation Organization was prepared to

reduce intifada violence as part of the deal. Other media reports mentioned reopening Arab universities in the West Bank, a proposal Baker has made more than once.

## No Rewards From Gulf War

Behind the impasse seemed to lie profound disappointment within the government that Israel's policy of restraint when it came under Iraqi missile attack during the Persian Gulf war did not vield the expected dividends of warmer, more understanding relations with Washington.

Shamir "does not feel that support from the United States, which has always been posited as a prerequisite for Israel to enter into a negotiating process from a position of strength," one official here said.

Baker has met with local Palestinian leaders on each of his three visits to Jerusalem, and each time the delegation was smaller.

He received 10 Palestinians at the U.S. Consulate on March 12, but only six showed up for a second talk earlier this month.

On Saturday, there were only three -- East Jerusalem activist Faisal Husseini, Dr. Hanan Ashrawi of Ramallah and Dr. Zakkaria al-Agha, chairman of the Palestinian Physicians Association in Gaza.

They reportedly handed Baker a stiff memorandum laying out their demands. They want "territories for peace," meaning Israel's complete withdrawal from the administered territories, in which they include East Jerusalem.

They also want full Palestinian sovereignty in the territories and the right of Palestinian refugees to return to those areas.

Baker is said to have promised to continue to apply pressure on Israel to suspend settlement building in the territories and to find a way to include East Jerusalem residents in a delegation to the proposed peace talks.

He also promised to discuss Palestinian readiness to consider "self-government" in the territories as an interim solution.

If Baker accomplished nothing else during his latest trip to Israel, he at least got to tour Jerusalem's Old City, which he had tried unsuccessfully to do on his two earlier visits.

The secretary slipped out of his hotel room for two hours Friday evening and stopped at both the Western Wall and the Church of the Holy Sepulcher, before traveling to see Manger Square in Bethlehem.

#### IMPATIENT ISRAELIS, PALESTINIANS TO MEET IN SPAIN FOR PEACE TALKS By Gil Sedan

JERUSALEM, April 21 (JTA) -- Some Israelis and Palestinians cannot wait for U.S. Secretary of State James Baker to find the right formula to bring the two parties together.

A large delegation from the Israeli peace camp will meet later this week in Spain with a similar-size delegation of Palestinian activists.

The three-day conference, a far cry from either an international or regional conference, will begin Wednesday in the southern Spanish city of Granada, under the auspices of the Spanish peace movement, which is associated with Spain's governing Socialist Party.

The Israelis and Palestinians who will meet seem to share impatience, if not disdain, for the formalistic "shuttle diplomacy" which Baker is currently conducting on his third visit to Israel and Arab capitals since mid-March.

At the Granada gathering, the Palestinians will be represented by the Palestine Liberation Organization and its supporters from the West Bank, Gaza Strip and East Jerusalem.

They include East Jerusalem activist Faisal Husscini, with whom Baker has already met three times; Hanna Siniora, editor of the influential Arabic daily Al-Fajr; and Radwan Abu-Ayyash, chairman of the Palestinian Journalists Association, whom the Israelis released only last week from five months' administrative detention.

The PLO delegation will be headed by Dr. Nabil Sha'ath.

The Israeli delegation includes Arich (Lova) Eliav and Yossi Beilin, Labor Party Knesset members; Dr. Ephraim Sneh, former head of the civil administration in the West Bank; author Yael Dayan, daughter of the late Moshe Dayan, who as foreign minister of Israel helped negotiate the 1978 Camp David accords; and Mapam activist Latif Dori.

Because Israeli law forbids its citizens from meeting with the PLO, the conference has been billed "A Dialogue Between Residents of the Middle East."

#### KUWAIT TO STOP ENFORCING BOYCOTT ON AMERICAN FIRMS, ENVOY REPORTS By Debra Nussbaum Cohen

NEW YORK, April 21 (JTA) -- Kuwait will case to impose restrictions of the Arab League boycott on American companies bidding for contracts in the reconstruction of Kuwait, according to Thomas Pickering, the U.S. ambassador to the United Nations.

"Let the U.S. now test that," Pickering told Jewish leaders here Sunday.

American firms are expected to receive 70 percent of the contracts issued by Kuwait as it starts to rebuild the infrastructure destroyed by Iraq's Saddam Hussein during the seven months that his forces occupied the country.

Kuwait, historically one of the strictest enforcers of the Arab League boycott against Israel, has been requiring that companies seeking contracts state that the firm is not owned by Jews, that no Jew sits on its board of directors, and that no Jew is a manager or employee.

Kuwait has also been boycotting U.S. companies that do business with Israel.

Pickering, who served as U.S. ambassador to Israel from 1985-88, broke the news of a change in that position at a meeting of the Israel Task Force of the National Jewish Community Relations Advisory Council.

"This is as close to an official announcement as I've seen," said Martin Raffel, director of the NJCRAC Israel Task Force.

While many meeting participants received the news enthusiastically, others were more cautious.

"The issue is what we will do to enforce the principle of free trade," said Michael Miller, executive director of the New York Jewish Community Relations Council, a NJCRAC constituent.

Jewish groups, with the support of many members of Congress, have argued that Kuwait's boycott policies, which are illegal in this country, are no longer acceptable since the United States and its allies rescued the country from Iraqi aggression.

### Goodwill Gestures Urged

Since 1977, it has been illegal for American companies to supply information to Arab countries in compliance with the economic boycott of Israel.

Ninety out of 100 U.S. senators recently signed a letter addressed to the emir of Kuwait requesting that he lift the secondary boycott of firms that do business with Israel.

The letter did not ask Kuwait to end its direct economic boycott of the Jewish state, though current resolutions in both houses of Congress demanding Arab recognition of Israel list that as a requirement.

Pickering also called for goodwill gestures by both Israel and the Arab states to be considered a third track in the peace process.

That third track would be in addition to the two that the U.S. administration already considers imperative: direct negotiations between Israel and the Arab states, and between Israel and the Palestinians.

"We would like to see recognition of Israel, an end to the Arab boycott and an end to the Zionism-equals-racism resolution," Pickering said, referring to the 1975 U.N. General Assembly vote denigrating Zionism.

"Israel should not be an island state, with relations with everybody except her neighbors," the ambassador said.

#### RISE IN NEO-NAZI VIOLENCE ALARMING JEWS OF GERMANY By David Kantor

BONN, April 21 (JTA) -- Germany's small Jewish community has sounded an alarm over the escalation of neo-Nazi violence, especially in former East Germany.

Heinz Galinski, chairman of the German Jewish community, has urged Interior Minister Wolfgang Schaeuble to enforce the bans on events such as the celebration of Hitler's birthday, which invariably stir violence, or a vigil in Munich several weeks ago at which the truth of the Holocaust was publicly denied.

About 150 neo-Nazi youths and Skinheads were taken into temporary custody in Dresden on Saturday to prevent a clash with anti-fascists after they marched through the city to mark the fuhrer's 102nd anniversary.

About 15 neo-Nazis were arrested in Oberweser, near Kassel in central Germany, after a Hitler party that damaged shops and parked cars.

In Osnabruck, in the norther state of Hanover, neo-Nazi activists attacked a group of Kurds who were on a hunger strike to protest the Iraqi massacre of their people. Some Kurds were badly beaten by the time police arrived and their tent was demolished.

In Magdeburg, in the center of what was formerly East Germany, dozens of neo-Nazi hooligans clashed with police after throwing cans and assaulting spectators at a local soccer match. Several arrests were reported.

Incidents involving neo-Nazis were also reported in Leipzig, Cottbus and Birkenwerda in eastern Germany.

Galinski demanded that the authorities intervene more forcefully when right-wing extremists display Nazi symbols in violation of the law and spread anti-Semitic propaganda.

In Munich, neo-Nazis claimed no Jews were ever killed at Auschwitz and Treblinka.

How can Germany subject its small surviving Jewish community to such outrageous expressions? Galinski asked

The Jewish leader had urged the prime minister of Saxony, Kurt Biedenkopf, to ban the Hitler birthday march in Dresden.

Sociologists have blamed the emergence of right-wing extremism in the former Communistruled territory on unemployment, poor living conditions and the collapse of state authority.

#### ANTI-SEMITISM BITES BOTH ENDS OF FRENCH POLITICAL SPECTRUM

PARIS, April 21 (JTA) -- The leaders of two parties at opposite ends of the French political spectrum are in trouble over anti-Semitic canards, and neither is repentant.

Jean-Marie Le Pen of the extreme right-wing National Front, appearing before the Paris Court of Justice, which convicted him of "racial defamation," repeated his view that "Freemasonry and international Judaism" are opposed to the national interests of France.

Jean Briere, suspended by the ecology-minded, pacifist Green Party as its spokesman last week, refused to retract his charge that "Israel and the Zionist lobby" were responsible for the Persian Gulf war.

His only regret, the 58-year-old Briere said, was that his opinions, expressed in an internal party document, had been given wide publicity.

The Green's national leadership left Briere's fate up to its Lyon branch in southeastern France, which he represents.

The local party delegation decided Friday not to expel him, but removed him as spokesman.

"Zionist lobby" has a particularly derogatory connotation in France as well as elsewhere, construed as a code word for "Jews."

Briere wrote, "The destruction of Iraq was the main objective of Israel, a racist, militaristic, theocratic and expansionist state with a policy based on permanent war."

He claimed further that the "influence of the Zionist lobby in the United States had been decisive in tilting the scales in favor of war."

Le Pen's implication that Judaism and Freemasonry are by nature treasonous is classic 19thcentury anti-Semitism, which was updated by the Nazie

The latest lawsuit against Le Pen was filed by several human rights groups for views he offered in an interview published in the daily Present in 1989.

His latest court appearance followed two he made in French courts last month. Le Pen was fined twice in March for offensive remarks in which he slurred Holocaust victims.

Le Pen, who was greeted in court last week by dozens of supporters, said in his defense that many Jewish organizations are openly international, implying by his statement that international groups per se are opposed to national interests.

He will be sentenced on May 31.

#### NEW LAWS NEEDED TO COMBAT RACISM, SAYS AUSTRALIAN GOVERNMENT STUDY By Jeremy Jones

SYDNEY, Australia, April 21 (JTA) - A government-sponsored inquiry into racist violence in this country has concluded that new legislation is urgently needed because existing laws are inadequate to deal with the level of racist violence here.

Among 66 recommendations made to the federal government in the two-year study were reform of the criminal code to outlaw racial harassment, racial violence and racist behavior likely to incite hostile acts.

The inquiry, which received more than 600 reports of racism since it was established in 1989, found "serious incidents of violence, harassment and intimidation" against minority groups, their property and their places of worship.

One of its recommendations called for amending the laws to prevent racists from evading prosecution by using religion, specifically Judaism and Islam, as "surrogates" for race.

The groups especially subjected to racist violence, according to the inquiry, were Asians, aboriginals, Jews and Torres Strait islanders. The Torres Straits separate northeastern Australia from Panua New Guinea.

The study also found that anti-racist activists were targeted by members of extremist

A survey of more than 160 incidents of specifically anti-Jewish nature that occurred after the inquiry completed its surve, was presented to Federal Race Commissioner Irene Moss by the Executive Council of Australian Jewry.

Council President Leslie Caplan lauded the inquiry and said Australian Jewry "fully supports the call for national legislation to combat racial violence."

# A PRIL 22, 1991

#### BEHIND THE HEADLINES: FEDERATION LOAN PROGRAM CONTINUES A LONG TRADITION OF JEWISH GIVING BY Aliza Marcus

NEW YORK (JTA) -- When American Jewish federation leaders gave their approval last week to an innovative \$900 million loan guarantee program to assist Soviet Jewish immigration to Israel, some saw it as a bold departure from past fund-raising practices.

For the first time, federations would be lending money to Israel rather than raising whatever amount is needed.

But while the type of outlay may be different, the loan program is, in fact, just a new phase of a long tradition of Jewish philanthropy to Israel.

In backing a program to aid the projected I million Soviet Jews who will have arrived in Israel by the end of 1993, the organized American Jewish community has followed an age-old tradition of aiding Jews in distress.

That is a fund-raising theme with special meaning in the post-Holocaust era, say scholars of American Jewish history and philanthropy.

"We're talking about the possibility of resettling I million Jews from the Soviet Union to Israel, and for many Jews, it is an opportunity to redress the omissions of the past," said Gary Tobin, director of the Cohen Center for Modern Jewish Studies at Brandels University.

"I don't think there is going to be another American Jewish community in this century that stands by and abandons a European community," Tobin said, referring to the annihilation of 6 million Jews in the Holocaust.

"It has that level of emotional appeal," he said. "Many feel they didn't do enough to rescue European Jewry."

### Responding To Increased Demand

Last year, the American Jewish community raised a whopping \$420 million in the United Jewish Appeal's special Operation Exodus fundraising campaign for Soviet Jewry.

It was initially thought that this amount, together with \$180 million raised in other Diaspora communities, would meet resettlement needs for the next three to five years.

But close to 200,000 Soviet Jews immigrated to Israel last year alone in what has turned out to be the Jewish state's largest single aliyah ever.

The overwhelming number of Soviet Jews flocking to Israel wiped out cost projections, forcing a radical rethinking of Israel's financial needs.

Responding to the increased demand, Jewish federations in the United States will soon embark on a new \$450 million UJA fund-raising campaign, which will work in tandem with the loan program the federations approved April 16.

For Jews, charitable giving, or tzedakah as it is called in Hebrew, is less an optional activity than something that is expected, as stated in Jewish literature dating from the Bible itself to modern-day UJA advertisements.

Israel has historically been an important recipient of this aid.

But it was only with the onset of World War II that American Jewish philanthropy started to become Israel-centered, a tie that strengthened when Israel's survival was perceived as being threatened, said Steven Cohen, a professor of sociology at Queens College.

After Israel's stunning victory in the 1967 Six-Day War, Israel became "the No. 1 mainstream philanthropic cause for American Jewry," said Cohen.

Cohen and others who study the issue say American Jews tend to show their support for Israel through their pocketbooks, rather than by making aliyah.

#### Campaigns Swell In Times Of Crisis

"American Jews are pro-Israel, but they are, by and large, not Zionists in the classical sense of the word," said Cohen. He defined classical Zionism as a belief that Diaspora Jewish life is "unhealthy, untenable and insignificant."

Most American Jews see Israel as "a place of refuge for Jews, as a source of inspiration,"

In times of external threat to the Jewish state, such as the wars of 1967 and 1973, American Jews have significantly increased their contributions to UJA.

In 1967, UJA raised \$303.4 million, more than double the \$125 million it had raised the year before, according to UJA campaign material.

Although post-crisis campaigns did not maintain the same level of generosity, the UJA campaigns never went back to the pre-crisis level, as if donors had suddenly gotten used to a new level of giving.

But some people involved in fund raising say the American Jewish community could do much better, especially when it comes to aiding Israel.

The question is "whether there is the capacity to do even more," said Tobin of Brandeis. His answer: "I believe there is when the need arises."

"For far too many people in America, the relationship (between Israel and the United States) is defined in purely dollar terms, and in the process, it has been insufficiently appreciated how few dollars end up" as a part of the Israeli budget, said Gerald Bubis, professor emeritus of the School of Jewish Communal Services at Hebrew Union College in Los Angeles.

Rabbi Brian Lurie, executive director of the Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties, calls Diaspora Jewish philanthropy to Israel a form of voluntary taxation.

But he adds that the amount is never as high as that paid through compulsory taxation on Israeli citizens.

# The Envy Of Other Philanthropies

"I would like to believe that Jews in the Diaspora are as duty-bound as those in Israel, but somehow that hasn't worked," he said.

Lurie added that while the federation-backed loan program and fund-raising drive for Soviet Jews seems like a tremendous outlay, in fact it is less than 10 percent of the estimated \$40 billion that Israel will need to fully integrate Soviet Jews into the economy.

Still, scholars of philanthropy and those directly involved say the American Jewish community has done an enviable job of organizing itself into a community that aids not only its own, but those outside, such as Soviet Jews.

"American Jewish philanthropy is the envy of the world in the sense that American Jews raise many times what other groups do and contribute many times over what other Americans do," said Jonathan Sarna, professor of American Jewish history at Brandeis University.