

BAKER SAYS WEST BANK SETTLEMENTS ARE THE LEADING OBSTACLE TO PEACE

By Howard Rosenberg

WASHINGTON, May 22 (JTA) -- In an apparent move to intensify criticism of Israeli policies, Secretary of State James Baker charged Wednesday that the growth of Jewish settlements in the West Bank is the biggest obstacle to peace in the Middle East.

Although the Bush administration, like the Reagan administration, has repeatedly called the settlements an obstacle to peace, this is the first time a senior U.S. official has described the settlements as the leading stumbling block.

Testifying before the House Appropriations subcommittee on foreign operations, Baker said the issue was the first item raised by Arab countries and Palestinian leaders during his four visits to the region between early April and mid-May.

"I don't think there is any bigger obstacle to peace than the settlement activity that continues not only unabated but at an enhanced pace," the secretary said.

"And nothing has made my job of trying to find Arab and Palestinian partners for Israel more difficult than being greeted by a new settlement every time I arrive" in Israel, he said.

The Israeli Embassy here had no immediate reaction to the secretary's remarks.

But in New York, the Conference of Presidents of Major American Jewish Organizations issued a strong statement, saying its 48 constituent bodies were "shocked and dismayed" at Baker's remarks.

The conference urged the secretary to "return to his neutral role of peacemaker," saying that if his "efforts to bring the parties to the negotiating table" are to be successful, they "must be seen as objective and impartial."

Remarks Are 'Patently Unfair'

The conference statement took no position on Israel's settlement policy. But one Jewish organizational leader was less reticent.

"I hold no grief for the settlements," said Henry Siegman, executive director of the American Jewish Congress. "They are singularly inappropriate and offensive at a time when the U.S. is working so hard to achieve a breakthrough in the peace process," he said.

Nevertheless, Siegman said that characterizing the settlements as the biggest obstacle to peace is "patently unfair. Surely the Arab states' continued refusal to acknowledge Israel's legitimacy and its very right to exist" is "by far the biggest obstacle."

On Capitol Hill, a pro-Israel activist criticized Baker for engaging in "public criticism of Israel," which "few in the pro-Israel community consider constructive."

"What's worse is, we don't see the same anger toward Syria" or criticism "with any punch" directed at any other Arab country, said the activist, who requested anonymity.

Disagreements between Syria and Israel have stymied Baker's recent efforts to convene a peace conference involving the Arab nations, the Palestinians and Israel.

Syria has demanded that any peace confer-

ence be held under U.N. auspices, which Israel opposes. Israel has demanded that such a conference serve as a prelude to direct talks and adjourn once they begin, while Syria wants an ongoing conference.

Baker "seems to get very emotional where differences with Israel come up," whereas "he expresses in a very dry way his differences with Syria," the activist pointed out.

He said Baker's choice of words, which he dismissed as hyperbole, were "no accident."

Settlement Of Soviet Jews Raised

In his testimony, Baker said that despite the settlement controversy, both sides are serious about peace.

"If we could get agreement between Israel and Syria on two issues, I think we would be in a position to see direct negotiations begin," the secretary said.

Baker said that both the Israeli and Arab governments have rejected a deal he proposed in which Israel would suspend new settlement activity and the Arab states would suspend either their economic boycott of Israel or their state of war with it.

Rep. David Obey (D-Wis.), the subcommittee chairman, said Israel has a special obligation to the United States on the settlement issue, especially when recently arrived Soviet emigres move to the West Bank.

"Israel has an obligation to us and to their own future security not to settle (Soviet emigres) in such a way that it proves either an obstacle to the peace process or proves to be a major embarrassment to you or to anybody trying to jump-start peace talks," the congressman told Baker.

In addition, he said, "the Israeli government has an obligation to deal with this resettlement issue in such a way that it makes possible U.S. support for the Soviet refugees."

Obey was referring to an expected Israeli request after Labor Day for \$10 billion in U.S. guarantees for loans, which would be taken out over five years to help resettle Soviet Jews.

But the congressman stopped short of saying that he would try to block such aid, which he said he wants to see Israel receive.

SYRIAN-LEBANESE 'BROTHERHOOD PACT' SEEN AS A SECURITY THREAT TO ISRAEL
By Hugh Orgel

TEL AVIV, May 22 (JTA) -- Israel has officially informed the United States that it considers the Syrian-Lebanese "brotherhood pact" signed Wednesday in Damascus a serious new security threat on its northern border.

But Israeli officials denied foreign news reports that the Israel Defense Force was massing "hundreds and possibly thousands" of tanks on the northern border for a pre-emptive strike in response to the Damascus-Beirut pact.

The IDF said troops were put on "normal alert" in view of the event, but there were no special military preparations.

Reports of an Israeli military buildup were also denied by Timor Goksel, spokesman for the United Nations Interim Force in Lebanon.

The pact, officially known as the Brother-

hood, Cooperation and Coordination accord, was signed Wednesday by Presidents Hafez Assad of Syria and Elias Hwari of Lebanon.

It is referred to in Jerusalem as the "Assad Anschluss."

According to the Israelis, it amounts to the virtual annexation of Lebanon by Syria, comparable to the 1938 "Anschluss" that ended the independence of Austria with its incorporation into the German Third Reich.

Defense Minister Moshe Arens said that by getting Lebanon to sign the pact, Assad had managed to do quietly what Iraqi leader Saddam Hussein had failed to do in war: incorporate within his country a neighboring Arab state.

Arens spoke to reporters during a visit to Kiryat Shmona, near the border with Lebanon.

New Settlement In Golan Heights

Housing Minister Ariel Sharon observed that Syria's domination of Lebanon opens a "new front, which is closer to important industrial areas in the Haifa Bay district."

He spoke at the dedication ceremonies for a new Jewish settlement established Tuesday in the Golan Heights, which Israel captured from Syria in 1967 and annexed in 1980.

But Israel's concern is more over the pact's long-range implications than any immediate threat.

Experts said they expect quiet to prevail on the Golan Heights border with Syria, if only because the border is just 22 miles from Damascus, putting the Syrian capital within Israeli artillery range.

The fear here is that the brotherhood pact will allow Palestinian and other terrorist groups active in Lebanon to launch attacks on Israel under an expanded Syrian umbrella.

Israeli retaliation for Syrian-backed terrorism would wreak havoc among the Lebanese on Lebanon's soil, leaving the Syrians unscathed, it was pointed out here.

Israelis say the incorporation of Lebanon has been Syria's ambition ever since the two countries were carved out of the old Turkish empire after World War I. They were regarded as one administrative territory under the French Mandate from 1920 to 1941, but were given separate independence after World War II.

The new Syrian-Lebanese accord is part of the Arab-brokered Taif peace pact, which ended 16 years of civil war in Lebanon. Syria has about 40,000 troops in that country.

On the Golan Heights, meanwhile, 30 families moved into homes in the new settlement, called Kanaf, which overlooks Lake Kinneret.

It is the fourth Jewish settlement established in disputed territory since the Persian Gulf War ended and the United States began another round of diplomacy aimed at achieving peace between Israel and its Arab neighbors.

The three earlier settlements were set up in the West Bank, two of them while Secretary of State James Baker was shuttling between Jerusalem and Arab capitals, in an effort to arrange a peace conference.

The United States has repeatedly told Israel it considers the settlements an obstacle to peace.

But Sharon scoffs at that view, claiming that the settlements strengthen Israel. The more secure Israel feels, the better able it will be to make peace, he says.

"Settlement in the Golan, as in the West Bank and Gaza, adds additional security for Israel," Sharon told a reporter on Tuesday.

SYRIA REJECTS EUROPEAN SUGGESTION TO START PEACE TALKS WITHOUT U.N.

By Yossi Lempkowicz

BRUSSELS, May 22 (JTA) -- Syria has rejected a suggestion by the European Community that a Middle East peace conference could convene without the United Nations participating at the start.

The proposal was shot down by Syrian Foreign Minister Farouk a-Sharaa at a news conference Tuesday in Luxembourg.

"As far as Syria is concerned, the structure of the conference is important," Sharaa said. "We believe that the structure cannot be separated from the substance."

The Syrian minister spoke in response to a statement by Jacques Pooos, the foreign minister of Luxembourg and current chairman of the E.C. Council of Ministers.

Pooos observed that "to launch the (peace) process, it could be useful to convene the meeting with the participants stated in the peace propositions of U.S. Secretary of State James Baker."

That would include the various countries of the region, as well as the United States and Soviet Union, but not other members of the U.N. Security Council, as Syria has insisted.

"Maybe later, the United Nations will have to play a role, but why should we consider the presence of the United Nations an important event to decide upon now?" said Pooos.

"For us, this is a formal question, not a fundamental one," he stressed.

A U.N. role, which Israel opposes, is one of the main points in its dispute with Syria over the nature of the conference. That unresolved difference, according to Baker, is the most serious obstacle to his recent efforts to arrange a conference.

E.C. Trade Ties With Syria Explored

Pooos said the E.C. shares the view of Syria and other Arab parties that the peace conference should be a continuous affair "in order to assess the situation or give a new impetus."

Israel insists the conference can serve only as a ceremonial opening for parallel direct talks it would hold with the Arab states and Palestinians. The conference would adjourn as soon as those talks began.

Syria's relationship with the E.C. was the main subject of Sharaa's meeting with Pooos and the foreign ministers of Holland and Italy, Hans van den Broek and Gianni De Michelis.

They presently constitute the so-called "troika," the three foreign ministers assigned by the E.C. to deal directly with Middle East affairs.

Van den Broek will assume the E.C. chairmanship on July 1. Michelis is Pooos' immediate predecessor.

The E.C. and Syria are linked by a trade and cooperation agreement, but cooperation was frozen four years ago because of suspicion that Syria was involved in international terrorism.

Now, however, both parties are prepared to develop their economic ties. "There is a great future for this cooperation," Pooos said.

An E.C.-Syrian financial protocol has yet to be approved by the European Parliament, the community's legislative body, which meets in Strasbourg, France.

Some deputies are reluctant to resume cooperation with Damascus because of its poor human rights record.

NEWS ANALYSIS:**MENGISTU DEPARTURE VIEWED IN ISRAEL WITH MIXTURE OF RELIEF AND CONCERN**

By Gil Sedan

JERUSALEM, May 22 (JTA) -- The sudden resignation and flight of Ethiopian President Mengistu Haile Mariam has heightened concern here for the safety of the estimated 18,000 Ethiopian Jews stranded in Addis Ababa waiting to immigrate to Israel.

At the same time, government officials here appear to be relieved to not have to deal any longer with Mengistu, a hard-core Marxist who often seemed to be holding Ethiopian Jewry hostage to the supply of military hardware by Israel.

Asked if any Israeli interests in Ethiopia were imperiled by the departure of Mengistu, Defense Minister Moshe Arens said, "It depends who replaces him."

Israeli officials expressed hope his successors would value the good will of the West and maintain at least lukewarm relations with Israel.

But beyond that, there was no official reaction here, on the assumption that the less said, the better, while the situation is uncertain with respect to Ethiopian Jews.

Rebel forces were reported to be within 50 miles of the Ethiopian capital and the regular army in full flight.

The Israeli daily Yediot Achronot reported Wednesday that rebel representatives in Washington have promised the Americans they will not harm the Ethiopian Jews.

But Israel's Sephardic chief rabbi, Mordechai Elisha, called for special prayers for the welfare of the Jews there.

U.S. Ambassador William Brown responded guardedly when asked by reporters to elaborate on American measures to protect their security.

"The situation is delicate. Our role in the past speaks for itself," he said, adding that Washington is "watching the situation closely."

Years Of Unpredictable Relations

A Hebrew University expert on East Africa, Professor Mordechai Abir, warned in a Jerusalem Post interview Wednesday that the fall of Mengistu aggravates the danger of social unrest, especially in the capital, where poor living conditions could trigger violence.

On the other hand, he said, Mengistu's flight could lay the foundations for peace between the government and the rebels. The ex-president was the chief obstacle to a compromise, Abir observed.

Israelis will shed few tears over his fall.

Relations with the Ethiopian dictator, who ruled his country with an iron hand for 14 years, were at best unpredictable.

As the exodus of Ethiopian Jewry became increasingly urgent in recent years, Israel found itself under mounting pressure from Mengistu for military aid.

But Israel has other interests in Ethiopia, dating from the reign of Emperor Haile Selassie.

The country is a political and strategic gateway to East Africa. Its Red Sea coastal province of Eritrea is not too far from Eilat, Israel's trade outlet to East Africa and Asia.

Mengistu reportedly had close contacts with Israelis since the early 1970s, when, as a junior officer, he met Israeli military advisers helping the imperial army combat Eritrean rebels.

After the Yom Kippur War in 1973, Haile Selassie broke formal diplomatic relations with

Israel, under pressure from the Arab states. But informal relations continued.

When Mengistu took power in 1977, he severed relations with the United States and courted the Soviet Union, but continued informal ties with Jerusalem.

Contacts were finally halted in 1978, after Moshe Dayan, the foreign minister at the time, let slip in an interview that the two countries had military ties. Israelis were ordered to leave.

But in 1989, when the Soviet Union and East Germany signaled Mengistu he could no longer count on their help to fight the rebels, the Ethiopian ruler turned to the United States.

Israel was a natural intermediary. Formal diplomatic relations were restored in November 1989 but have suffered from periodic strains.

HUNGARY WANTS TO PAY PROPERTY CLAIMS BUT MAY NOT HAVE CASH, SAYS PRESIDENT
By Aliza Marcus

NEW YORK, May 22 (JTA) -- Hungarian President Arpad Goncz said Wednesday that his country is interested in making restitution for property confiscated under the Nazis and Communists, but he warned that compensation might be limited.

"I think that even if we had 40 times as much national income and wealth, even that sum is not enough to compensate all those who rightfully should be compensated," Goncz said during a meeting of Jewish leaders organized by the World Jewish Congress.

Goncz added that he did not know when the parliament would approve a bill for compensation, nor was he sure such a bill would pass.

"I can't promise anything, and I don't exclude anything," he said.

An aide from the Hungarian Consulate qualified this by saying the government is working on a restitution bill for property lost during World War II and that it would be put on the parliament's agenda by the end of the year.

But present indications are that the bill would apply only to Hungarian citizens now residing in Hungary. Among others, this would exclude an estimated 25,000 Hungarian Jews who fled the country after the 1956 revolution was crushed by the Soviet army.

Elan Steinberg, WJC executive director, said his organization would press for restitution for all those who lost property, whether or not they still live in Hungary.

"We have a moral and a legal claim to Jewish communal and individual property seized whether by Nazis or Communists," said Steinberg. "We will not rest until we make sure that Jewish rights are safeguarded along with others' rights."

Leslie Keller, president of the Emanuel Foundation for Hungarian Culture, which was to honor Goncz at a dinner Wednesday evening, said he believed a compensation bill would be approved, but he added, "I don't know how they will find the money."

During his talk, Goncz promised that Hungary would do all it could to eradicate anti-Semitism.

But he warned that the country's economic woes make it more likely people will blame "various public enemies."

Although religious hatred is banned by the Hungarian constitution, Goncz said that it would take years to "suppress the roots and not just the manifestations" of anti-Semitism.

**BEHIND THE HEADLINES:
SURVIVORS OF POLISH ANTI-SEMITISM
ANSWER WALESA PLEA WITH SKEPTICISM**
By Cathrine Gerson

TEL AVIV, May 22 (JTA) -- Many Israelis were deeply moved when Lech Walesa begged them from the Knesset rostrum Monday to forgive Poland for centuries of anti-Semitism.

But a number of those who had experienced such anti-Semitism firsthand found the powerful words of the Polish unionist-turned-president hard to stomach.

For a group of old friends sitting at a Tel Aviv cafe, most of them Holocaust survivors, it was unseemly that Poland's chief of state--"that Polish anti-Semite" -- was invited to speak in the Knesset, a rare honor even for visiting dignitaries.

"It's enough that he is being treated as a 'mensch,'" said Yashek (Yitzhak) Goldberg, a tall, fragile-looking man who was born in a village near Katowice and survived three years in concentration camps, including Auschwitz.

For Goldberg, stirring his coffee in the outdoor cafe on Ben-Yehuda Street, it was enough that Walesa is Polish. "All Poles are anti-Semites until they prove they are not," he said.

He conceded it was good that Walesa wanted to come to Israel and "fine that he should be welcomed."

"But to let him enjoy the great honor of addressing the Knesset? Why? Like all Poles, he is an anti-Semite, and he doesn't even try to hide it," Goldberg exclaimed.

The others at the table tried to calm him down. "This is not something to get a heart attack over," said one friend.

Goldberg shrugged. "To this day I don't know what happened to my two sisters and three brothers," he said. "They simply disappeared, like the rest of the Jews in Poland."

Walesa was confronted directly with the Jewish wartime experience in Poland when he visited the Yad Vashem Holocaust memorial and museum on Tuesday. He appeared deeply moved as he gazed at the names, etched in stone, of more than 1,400 Polish Jewish communities eradicated by the Nazis.

Have Never Gone Back

But that did not seem to matter to the circle of friends sitting at the cafe on Ben-Yehuda Street.

The Poles "are real anti-Semites," said Bluma Levy, a blue-eyed woman who said she was "older than 60 but not yet 70."

Levy, who only recently retired from her small grocery business on Gordon Street, is also Polish-born but the only one at the table without a blue tattoo on her arm.

"I was spared the camps, but not the anti-Semitism," she said.

After the war, much of which she spent hidden in the attic of a local monastery, "we went back to our home in Bendin, or at least that was what we wanted to do," she recalled.

"When we came there, our neighbor who had always been very nice to us, told us that since we had run away, our flat was now hers, and since we, the Jews, had started the war anyway, it was a small price for us to pay."

According to Levy, that was the moment she realized a Jew could trust only another Jew. The next day the family was on its way to Paris,

where Bluma joined Betar, the militant Zionist youth movement.

Neither Levy nor Goldberg, or anyone else in the group has ever been back to Poland.

"Why should I?" asked Renia Isacowitch. "I have nothing to look for there. My two Israeli sons don't want to go either. They know it is not a place for living Jews, only for dead ones."

"What Shamir said last year about the Poles drinking anti-Semitism with their mothers' milk is true," said Goldberg, referring to a widely publicized remark by the Israeli prime minister, Yitzhak Shamir, that offended the Polish people.

The veracity of the remark is proven every few years, Goldberg maintained.

"First the pogroms in Poland, when the surviving Jews came back from the camps," he recounted. "Then in 1956 Gomulka, who threw out most of the Jews, (followed by) the convent at Auschwitz, and now Lech Walesa, an electrician, the Polish president, who is not ashamed to visit Israel after declaring he is 100 percent Polish."

Walesa has apologized for that remark, made when anti-Semitism was injected into the presidential election campaign in Poland.

Goldberg's complaint against Wladyslaw Gomulka, who was installed as Communist Party boss in 1956, referred to the events of 1968, when the country was rocked by student riots.

Party conservatives opposed to change and hoping to oust him in the wake of the riots, seized on anti-Semitism and anti-intellectualism. As a means of attacking Gomulka indirectly, they began a war against liberals and intellectuals, many of whom were Jews.

Gomulka turned the tables on his opponents by supporting their campaign. Zionism was denounced at factory meetings held all over Poland.

Many Jews were dismissed from their jobs, and thousands who decided to leave Poland were stripped of their citizenship and given one-way travel documents out of the country. In the end, about 20,000 Jews left the country.

**SERVICES CONDUCTED ONCE AGAIN
AT MOSCOW SHUL SEIZED IN 1938**

By William Sapphire

NEW YORK, May 22 (JTA) -- For the first time in 53 years, services were conducted Monday at the Poliakov Synagogue in Moscow.

The building, confiscated in the prewar Stalin era, will soon be officially restored to Jewish ownership, according to Lishkas Ezras Achim, a Brooklyn-based organization connected to the Chabad Hasidic movement that ministers to the religious needs of Jews in the Soviet Union.

The occasion for the revival was the Shavuot holiday. The Orthodox service was attended by 1,200 worshippers, said Rabbi Moshe Levertov, spokesman for the organization.

He said he recalled vividly the day in 1938 when, as a boy in Moscow, he saw the authorities seize the synagogue. They distributed its Torah scrolls among shoemakers but allowed the Bibles and prayerbooks to be transferred to other synagogues, he said.

Levertov said that after Soviet President Mikhail Gorbachev introduced his liberal glasnost policies, the Chabad community in Moscow applied for the synagogue's return to its former owner.

The transfer was approved a week ago by the Moscow City Council and will be completed in three months when the shul becomes the property of Agudas Chabad.