

VOL. 69 - 74th YEAR

WEDNESDAY, JUNE 26, 1991

NO. 121

**ARENS SAYS SETTLEMENTS NOT RAISED
IN MEETINGS WITH QUAYLE AND CHENEY**
By Howard Rosenberg

WASHINGTON, June 25 (JTA) -- Neither Vice President Dan Quayle nor Defense Secretary Dick Cheney apparently raised the touchy issue of Israeli settlement activity in the administered territories when they met separately here Tuesday with Israeli Defense Minister Moshe Arens.

"I haven't received any criticism since I got here," Arens said outside the Pentagon when asked whether either Quayle or Cheney had criticized Israeli settlement policy.

Israel's ambassador to Washington, Zalman Shoval, warned in radio interviews last weekend that Israel could soon be forced by the administration to choose between continuing to expand the settlements and receiving U.S. aid for immigrant absorption.

Israel is planning to ask the United States early this fall to provide guarantees for \$10 billion of commercial loans which it would use to help resettle immigrants from the Soviet Union and Ethiopia.

Shoval told the Jewish Telegraphic Agency on Monday that U.S. officials had been sending "signals" to American Jewish groups that the guarantees could be linked to limits on Israeli settlement activity.

But Arens said that in his meetings with Quayle and Cheney, "we didn't get really into too much detail" on the prospect of such a linkage. "My own view is that these are two incommensurate parameters," he said.

"There's really no connection at all between the question of whether Jews can or cannot live in Judea or in Samaria and whether the million Russian Jews who are leaving the Soviet Union after 70 years of persecution and coming to Israel should be helped," he said.

Concern About Syrian Buildup

Arens declined to say what specifically was discussed in the White House and Pentagon meetings. All he would say was that Cheney and he "dealt with the whole gamut of items on the Israeli-U.S. strategic relationship" and that "Vice President Quayle treated me royally."

A spokeswoman at the Israeli Embassy later said that Arens raised two main issues in his talks with Cheney. He expressed concern about reports of a Syrian military buildup in the aftermath of the Persian Gulf War and he asked the United States to continue investing in Israel's weapons research and development programs.

Arens said such investments are the only way that Israel can maintain its qualitative military edge in the Middle East, since the wealthy Arab states can buy nearly unlimited amounts of sophisticated military hardware.

During his visit here Tuesday and Wednesday, Arens was to meet with Sen. Sam Nunn (D-Ga.) and Rep. Les Aspin (D-Wis.), chairmen respectively of the Senate and House Armed Services committees; and Sens. Patrick Leahy (D-Vt.), Robert Kasten (R-Wis.), Daniel Inouye (D-Hawaii) and Warren Rudman (R-N.H.) from the Senate Appropriations subcommittee on foreign aid.

An Israeli Embassy official who attended

Arens' meetings with Nunn and Inouye said they amounted to "nothing earthshaking."

Arens also was scheduled to meet with Rep. Dante Fascell (D-Fla.), chairman of the House Foreign Affairs Committee.

He was to fly to New York Wednesday afternoon to address the Conference of Presidents of Major American Jewish Organizations, and was expected to return to Israel either Wednesday night or Thursday.

**PEACE TALKS WITH SYRIA POSSIBLE,
LEVY SAYS DURING VISIT TO SPAIN**
By Michel Di Paz

MADRID, June 25 (JTA) -- Peace talks between Israel and Syria could begin immediately if Damascus gives a positive reply to President Bush's recent request for flexibility, Israeli Foreign Minister David Levy said here Tuesday.

Levy spoke to reporters after meeting with Spanish Foreign Minister Francisco Fernandez Ordenez.

"We are expecting that Syria will finally give its answer and that the answer will be a positive one," Levy said, referring to letters on a proposed peace conference that Bush sent to the leaders of Israel and the Arab countries last month.

"If the answer of Syria is positive, we do not see any obstacle to start the technical part of the encounter, and direct talks could take place immediately," Levy said.

"We hope Syria will understand that peace is as important for her as it is for Israel," he added.

Although Levy insisted that peace talks now hinge on Syria, Israel itself rejected Bush's proposals in a letter from Prime Minister Yitzhak Shamir on June 6.

The only other country to reply so far is Jordan, whose response the Bush administration characterized as "unhelpful."

Levy dwelt on Syria's rapid rearmament following its participation in the Persian Gulf War and warned Damascus against military adventures.

"We are very closely monitoring the increase of Syria's arsenal of mass destruction, including improved Scud missiles delivered by North Korea," Levy said. "We are very concerned by this development."

Agreements Signed With Spain

He warned that Israel's restraint when it came under Iraqi missile attack during the Gulf war "should definitely not be taken as a pattern applicable to all circumstances."

"Should Syria become involved in such an adventure," he said, "Israel will defend itself with very serious consequences for Syria."

The Israeli and Spanish foreign ministers signed a declaration of principles concerning next year's observance of the 500th anniversary of the expulsion of Jews from Spain in 1492. That is also the year of Christopher Columbus' first voyage to the New World, which Spain will also celebrate.

Levy and Fernandez also renewed Israeli-Spanish agreements on scientific and technological cooperation.

Spain agreed to consider the possibility of

granting Israeli citizens "special treatment" when issuing visas.

Spanish officials told the Jewish Telegraphic Agency that at the moment, European Community regulations compel Spain to impose visa regulations on all North African visitors, including Moroccan citizens who did not need a visa to enter Spain until now.

It is therefore not possible at present to issue visas to Israeli tourists when they land in Spain, the officials said.

Levy visited the ancient synagogues in Toledo on Tuesday. He was scheduled to meet Wednesday with King Juan Carlos and with Prime Minister Felipe Gonzalez Marquez.

MOLEDET BACKS OFF FROM THREAT TO PULL OUT OF LIKUD GOVERNMENT **By Gil Sedan**

JERUSALEM, June 25 (JTA) -- The far-right Moledet party backed away from its threat to quit the government Tuesday and decided to give Likud another chance to consider ways to end the intifada.

But unless the Cabinet reaches a "clear decision," Moledet will withdraw from the coalition, the party's 30-member executive committee warned at a meeting in Tel Aviv.

Nevertheless, it rejected the recommendation of party leader Rehavam Ze'evi to walk out immediately because of the "government's failure to cope with the intifada."

Ze'evi, a minister without portfolio, joined the Cabinet barely two months ago at the invitation of Prime Minister Yitzhak Shamir. His appointment was controversial because Moledet is considered an extremist faction.

Its platform calls for the "transfer" of the Arab population out of the administered territories, a euphemism for expulsion.

For the time being, it is putting pressure on the government to take tougher measures to end the 3-year-old Palestinian uprising. It has demanded a more aggressive policy of deportations.

Shamir did not seem overly concerned by Moledet's ultimatum. The loss of its two Knesset seats would still leave the government with a comfortable majority of 64 in the 120-member parliament.

But it would increase the political clout of the Orthodox Shas and Agudat Yisrael parties, either of which could then bring down the government.

The Prime Minister's Office said Tuesday that there is no problem meeting Moledet's demands, as the government is continuously reviewing its policies toward the intifada.

BARAK DEFUSES OUTCRY OVER TV REPORT, SAYS PUBLICITY NEEDED TO DETER ARABS **By Gil Sedan**

JERUSALEM, June 25 (JTA) -- Ehud Barak, the recently appointed Israel Defense Force chief of staff, seems to have defused the public outcry over disclosure last week that IDF undercover squads disguised as Arabs are operating against intifada activists in the administered territories.

He appeared Tuesday before the Knesset's Foreign Affairs and Defense Committee to explain why it is useful to make public what normally would be classified information.

He claimed the main reasons for publicizing the operation were to deter young Palestinians

from joining terrorist organizations, to let the Arab population know that the IDF distinguishes between them and "the hard core of the intifada" and to keep the population guessing.

Barak said the information had not actually been classified, because the Palestinian population is well aware of the undercover units.

Pictures of the undercover units in action were broadcast on the state-owned television channel Friday night. Barak said he took full responsibility for the telecast.

Critics of all political hues, including former members of the defense establishment, called the exposure a grave mistake. Barak took the flak, inasmuch as Defense Minister Moshe Arens is in the United States.

The chief of staff told reporters after the meeting that he thought he had won the support of the committee members.

PAPER SAYS HOSTAGE SWAP IMMINENT **By Hugh Orgel**

TEL AVIV, June 25 (JTA) -- A deal involving the exchange of Arabs imprisoned in Israel for Western hostages and Israeli soldiers held in Lebanon is in the works, according to the Israeli daily Ma'ariv.

The paper quoted a source at the International Red Cross in Geneva as saying that an agreement on a prisoner swap had been reached and that the agency was asked to make the necessary logistical arrangements.

But the report was greeted with skepticism here. Senior security officials said they had "no information" on any prisoner exchange deal involving Israel.

When asked why the defense minister's adviser on prisoners, Uri Slonim, was in London, the security sources would only say he was conducting "office business."

The swap was said to include Israelis officially missing in action or known to be held as prisoners of war, and hostages of other nationalities. Israel presumably would release Palestinian or Shi'ite prisoners in exchange.

Ma'ariv said an agreement on the swap was reached several weeks ago after months of discussions involving Israeli, Iranian, Soviet, American and Syrian representatives. It said the exchange was delayed because the Israelis balked at the number of prisoners they were asked to free.

ISRAEL-CZECHOSLOVAK AIR ROUTE OPENS **By Hugh Orgel**

TEL AVIV, June 25 (JTA) -- El Al opened Israel's first regular air service to Czechoslovakia on Tuesday night.

Flight 521 took off at 7:15 p.m. on the three-hour flight to Prague and was due back at Ben-Gurion Airport at 4:20 a.m. Wednesday.

The Israeli national airline had flown to most Eastern European capitals before the Communist bloc broke diplomatic relations with Israel in 1967. But it never served Prague.

Arrangements to fill the gap began when President Vaclav Havel of Czechoslovakia visited Israel last year.

El Al sources said the Czechoslovak capital would not be used as a pickup point for Soviet Jews immigrating to Israel. They will continue to travel via Budapest, Warsaw or Bucharest until the Soviet Union permits direct flights from Moscow to Tel Aviv.

CANADA PROCESS TO TRY NAZIS SEEMS TO HAVE REACHED END

By Gil Kezwer

TORONTO, June 25 (JTA) -- Little more than three years after Parliament enacted legislation enabling Canadian courts to try suspected Nazi war criminals living in Canada, the process appears to have reached the end of the road.

Last Friday, Justice James Chadwick of the Ontario Supreme Court in Ottawa rejected a government appeal to send a judicial team to the Soviet Union to gather and videotape evidence against Michael Pawlowski of Renfrew, Ontario.

The justice concluded that Pawlowski could not receive a fair trial under the procedures for taking evidence in the Soviet Union.

He cited the fallibility of memory nearly a half-century after the events occurred and the difficulties of cross-examining witnesses whose testimony was on videotape played in translation.

The 74-year-old Pawlowski, a native of Byelorussia who has lived in Renfrew since 1951, was originally charged in November 1989 with eight counts of war crimes and crimes against humanity. The charges concerned the deaths of 410 Jews and 80 Poles who were killed in the Minsk region of White Russia in 1942.

Four of the charges had to be dropped when a key witness, Petr Korelev, died last month. According to Justice Department lawyer Peter Sutton, he would have given critical testimony regarding the massacre of 80 Poles and eight Jews in the village of Yeskovich.

According to Winnipeg lawyer David Matas, author of "Justice Delayed: Nazi War Criminals in Canada," the government will probably press its case against Pawlowski, a naturalized citizen, despite the lack of substantial evidence.

That strategy is likely to result in an acquittal, but the subsequent appeal could serve as a challenge to Chadwick's ruling, Matas suggested.

Efforts Have Come To Nought

The case illustrates some of the pitfalls which may not have been foreseen when Parliament added the war crimes amendment to the Criminal Code in September 1987.

The legislation was enacted after a special commission headed by Quebec Superior Court Judge Jules Deschenes sifted through a list of 650 suspected war criminals in Canada and identified 20 urgent cases and 218 that warranted further investigation.

The law allows Canadian courts, for the first time, to prosecute suspects for crimes committed on foreign soil, and also allows for civil proceedings, such as deportation and extradition.

Pawlowski, a retired carpenter, was the second of three alleged war criminals arrested under the measure. The charges against him are the only ones still on public record.

So far, Canada's attempts to convict anyone of war crimes have come to nought.

The first defendant, Imre Finta of Hamilton, Ontario, a former captain in the pro-Nazi Hungarian Royal Gendarmerie, was acquitted a year ago. He had been charged with the kidnapping, forcible confinement and robbery of 8,617 Hungarian Jews in Szeged in 1944.

In March, charges were dropped against Stephen Reistetter of St. Catharines, Ontario, who was accused of sending about 3,000 Jews in Bardejov, Slovakia, to Nazi death camps.

Crown lawyer Gilles Renaud said there was

insufficient evidence to proceed against Reistetter after two witnesses died and others proved unwilling or incapable of testifying.

In Vancouver, more than two years have elapsed without a ruling since a denaturalization hearing against Jacob Luitjens, a Dutch-born botany professor who was convicted in absentia in the Netherlands for collaborating with the Nazis in World War II.

Canada's only successful proceeding against a war criminal long antedates the war crimes amendment. In 1983, Albert Helmut Rauca of Toronto was extradited to West Germany to stand trial for the murder of 11,585 Jews in the ghetto of Kaunas, Lithuania. Rauca died before the case could be heard.

COURT ORDERS LIFE FOR U.S. MURDERS

By Hugh Orgel

TEL AVIV, June 25 (JTA) -- A Tel Aviv District Court made legal history Tuesday when it sentenced two Israelis to life imprisonment for a double homicide committed in the United States.

The trial was made possible by an amendment to the extradition laws under which a country that has the death penalty can waive extradition on the condition that the suspects face life sentences in Israel.

The three-judge panel that heard the case decided there was sufficient circumstantial evidence to convict Yair Orr and Nadav Nakan, former kibbutzniks, of murdering Jack and Carmen Hively, a wealthy California couple, four years ago.

The two Israelis, who went to the United States after completing their military service in the Israel Defense Force, were alleged to have accepted a "contract" from the couple's son-in-law, who wanted to inherit their money. The couple lived in Montecito, a wealthy suburb of Santa Barbara.

Defense lawyers for Orr and Nakan said they would appeal the conviction to the High Court of Justice.

100 PERUVIAN INDIANS MAKING ALIYAH

TEL AVIV, June 25 (JTA) -- About 100 Peruvian Indians who claim to be descendants of Marranos will immigrate to Israel in August.

They will be settled in Elon Moreh, a settlement in the West Bank near Nablus founded by the Gush Emunim. Their immigration is being organized jointly by the settlers and the Jewish Agency.

A special rabbinical court was sent from Israel to Peru to supervise the group's conversion.

The community, which calls itself Bnei Moshe and lives in northern Peru, claims its ancestors were Marranos, Jews from Spain who converted to Catholicism in the 16th century to escape the Inquisition but secretly practiced the Jewish faith.

The Bnei Moshe proclaimed their background 40 years ago, cutting themselves off from neighboring groups. Twenty years later, after meeting with the rabbi of the Jewish community in Lima, they built synagogues and began circumcising their sons.

The first members of the group were successfully absorbed in Elon Moreh last March. They comprised 14 families with a total of 55 people.

The newcomers will be housed initially in 20 mobile homes.

ARGENTINE GOVERNMENT CRACKS DOWN ON NEO-NAZIS, JAILING SEVEN IN CAPITAL

By Susan Birnbaum

NEW YORK, June 25 (JTA) -- Seven neo-Nazis were jailed in Buenos Aires last week for painting swastikas in a public square.

The arrests June 19 prevented a confrontation last Friday when a neo-Nazi group calling itself the Nationalist Workers' Party had planned to assemble outside the National Congress to pledge allegiance to an Argentine flag with a swastika in its center.

Argentine President Carlos Menem banned the rally. "Never again -- that type of ideology is not valid in today's world," he said.

The neo-Nazis are headed by Alejandro Biondini, a self-proclaimed admirer of Adolf Hitler who vigorously denies the Holocaust but claims not to be an anti-Semite.

He and his followers face up to three years' imprisonment if convicted. They were arrested under a 1988 law that prohibits the practice or promotion of discrimination on the basis of race, creed, sex or national origin.

This was the first time the statute has been used to restrain anti-Semitic activity, according to Rabbi Morton Rosenthal, Latin American affairs director for the Anti-Defamation League.

One of the most recent anti-Semitic manifestations was the destruction of 110 gravestones at a Jewish cemetery on the outskirts of Buenos Aires in May. Two men were arrested. Nazi literature was found in their apartments.

Biondini's group had put up posters inviting people to join them in their pledge to the swastika-adorned flag. They called off the rally.

'Need To Be Alert And Vigilant'

Federal Judge Ricardo Weschler did not immediately resolve their legal situation. He neither ordered a preventive prison sentence nor an eventual release date, the newspaper Clarin reported last Friday.

Justice Minister Leon Arslanian has asked for a background report from the Justice Department and the intelligence service as a basis for a case, the Latin American Jewish Congress said.

Biondini's group has been trying, without success, to officially register itself as the Nationalist Socialist Workers' Party, the name of the original Nazi party in Germany. It also wants permission to use a swastika.

Biondini announced recently that his party intends to run candidates in the October mid-term elections, and he may run for president in 1995.

Jews and others are concerned by the spate of anti-Semitic incidents in the country. Argentina's ambassador to the United States blames them on social unrest in reaction to the economic reforms and other changes necessary to put Argentina on the road to democracy.

The envoy, Carlos Ortiz de Rozas, stressed, however, that the government has moved quickly to arrest and prosecute the responsible parties.

Ortiz, who was posted to Washington in April, addressed a luncheon there last week sponsored by B'nai B'rith International.

He said that all who "appreciate freedom have to be alert and vigilant all over the world in order to prevent the renaissance of things that plunged humanity into the Holocaust and chaos of 50 years ago."

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

GERMAN JEWISH HEADQUARTERS WILL ALSO MOVE TO BERLIN

By David Kantor

BONN, June 25 (JTA) -- The headquarters of the German Jewish community will follow the government from Bonn to Berlin, though the move will not take place for another four to five years, community officials said this week.

The Bundestag decided on June 20 to make Berlin the capital of unified Germany, restoring the Prussian city to the status it had before World War II.

Bonn, a university town not far from the Dutch border, became the capital of the West German Federal Republic when it was formed in 1949. Berlin remained a divided city, the eastern part serving as capital of the German Democratic Republic.

Jewish officials said no formal decision has been made yet, but "obviously" the headquarters of German Jewry should be located where the government and parliament operate.

That includes the community's weekly newspaper, *Judische Allgemeine*, which was moved to Bonn from Dusseldorf five years ago.

The Jewish community presently occupies a small residential building in suburban Bad Godesberg, in which it invested over \$550,000 to renovate.

The building is expected to be sold when the community shifts to Berlin, along with scores of embassies, political and economic organizations and other institutions.

The Jewish population of Berlin, currently estimated at about 8,000, is expected to grow. The municipality reported recently that scores of Jewish families eligible to regain property taken by the Nazis or later by the East German Communist regime are likely to settle in Berlin.

GREEN'S SLUR CAN'T BE QUOTED

By David Kantor

BONN, June 25 (JTA) -- A former leader of the Green Party in Germany won a court ruling last week enjoining a party colleague from quoting an anti-Semitic comment he allegedly made during a telephone conversation.

Hans-Christian Stroble was forced to resign as one of the three co-chairmen of the ecology-minded party for publicly expressing the view last January that Israel itself was responsible for the Iraqi Scud missile attacks on its territory during the Persian Gulf War.

The Green activist never denied making that statement. But he brought former colleague Christian Vogt-Moykopf before a Berlin court for having repeated his telephone conversation comment that he would "put up with 1 million Jewish dead to prevent an escalation of the war."

The court refused to accept the taped conversation as evidence, on grounds that it had been illegally taped.

The affair within the German Green Party mirrors one that took place among its colleagues in France, where the spokesman of the Lyon branch of the French Greens was quoted as blaming the Jews for the Gulf war.

There, Jean Briere was temporarily suspended in April following publication of his anti-Israel, anti-Semitic remarks.

But the decision to suspend him was reversed on a technicality in early June at a national meeting of the Greens in Paris.