PUBLISHED BY JEWISH TELEGRAPHIC AGENCY .

330 SEVENTH AVENUE · NEW YORK, NY 10001-5010

VOL. 69 - 74th YEAR

MONDAY, AUGUST 5, 1991

(212) 643-1890 NO. 148

ISRAELI CABINET GIVES GREEN LIGHT FOR PARTICIPATION IN PEACE TALKS By David Landau

JERUSALEM, Aug. 4 (JTA) -- Israel's Cabinet on Sunday gave the green light for Israeli participation in the Middle East peace conference being arranged by the United States and Soviet Union

Meeting at its regular weekly session, the Cabinet approved, by a large majority, the favorable response Prime Minister Yitzhak Shamir gave last Thursday to U.S. Secretary of State James Baker, who flew here with an invitation extended by Presidents Bush and Mikhail Gorbachev for a peace conference to convene in October.

Shamir agreed to Israeli participation in the conference, but conditioned it on a satisfactory resolution of the problem of who should represent the Palestinians. Israel refuses to negotiate with Palestinians from East Jerusalem or those connected with the Palestine Liberation Organization.

Only three Cabinet ministers voted against joining the peace conference: Housing Minister Ariel Sharon of Likud, Science and Energy Minister Yuval Ne'eman of Tehiya, and Rehavam Ze'evi of Moledet, a minister without portfolio.

The generally upbeat mood of the meeting was punctuated by sharp exchanges between Shamir and Sharon and Ne'eman's reiterated threat to quit the government.

Despite conciliatory talks with Shamir last week following his initial threat to bolt the coalition, Ne'eman reaffirmed Sunday that he could not imagine his party remaining in "a government that is negotiating over territorial concessions.'

Moledet Staying In Coalition

But Ze'evi, who leads Israel's most extreme right-wing party, made it clear that he is not threatening to secede, at least at this stage. He spoke of his faith in Shamir on a personal basis, although he decried other, unnamed members of Likud, whom he described as "defeatists."

Sharon bitterly warned that a conference would lead to war. He said he does not oppose negotiations in principle but said Israel's "amateurish negotiators" had created a bad starting position for Israel.

He accused Shamir and his top ministers of conceding on all issues they had previously said

they would fight over. Shamir brushed aside the criticism as Sharon's "unbridled lust for power."

Agreeing with Shamir was the embattled interior minister, Arye Deri of the Sephardic Orthodox party Shas, who accused Sharon of "personal motives."

An independent member of the Cabinet, Absorption Minister Yitzhak Peretz, was absent from session and did not convey his vote to the Cabinet secretariat.

Agriculture Minister Rafael Eitan of the Tsomet party, often identified with hard-line members of the government, voted with the majority. He said that being certain the Arabs continue to hate Israel as before, he wants Israel "to go to the conference and tell them so to their faces."

On Sunday evening, the major opposition parties -- Labor, the Center-Shinui Movement and the Citizens Rights Movement -- congratulated the government and announced they would ask for a special Knesset session during the recess, so they could register their approval of the government's decision to participate in a conference.

Their bid underscored their determination to shore up from the left Shamir's governing majority in case he should be abandoned by opponents on the right.

Religion Minister Avner Shaki of the National Religious Party told reporters the government's decision was "historic," a complement to the decision by Syrian President Hafez Assad to negotiate directly with Israel.

U.S. Pledge On U.N. Resolution

As the ministers filed into the Knesset building, each was handed a letter from the Golan Settlement Committee, a group comprising all elected Golan Heights authorities. The letter asked for their support.

Members of the group stood in a silent vigil outside the Knesset during the session, stressing their support for peace and negotiations with Syria, but not at the expense of Israel's sovereignty in the Golan.

Shamir opened the proceedings by reading a prepared statement, in which he recapitulated the government's Basic Policy Platform, drawn up in June at the creation of the coalition government.

He said Israel's discussions with Baker had conformed completely with that document.

The prime minister explained that Israel had consented to the participation of a silent U.N. observer -- an earlier sticking point -- in exchange for a promised U.S. effort to call for revocation, at the next session of the General Assembly, of its 1975 resolution denigrating Zionism as a form of racism.

He also emphasized that Israel's agreement to any reconvening of the peace conference plenary rests on the explicit agreement of all parties, including Israel, for each such session.

Shamir cautioned against euphoria, saying the prospects are for long and hard negotiations,

filled with pitfalls and dangers.

But Foreign Minister David Levy summed up the positive feelings by saying, "It is not that Israel is saying 'yes' to Baker. It is that Baker has said 'yes' to Israel."

ISSUE OF PALESTINIAN REPRESENTATION MAY BE CLEARED UP BY U.S. MEMORANDUM By Gil Sedan

JERUSALEM, Aug. 4 (JTA) -- The thorny issue of who will represent the Palestinians in peace talks with Israel appears to be moving toward a successful resolution, despite the tough rhetoric emanating from some Palestinian leaders in recent days.

A team of Middle East experts from the U.S. Department and the National Security Council is due here Monday to hammer out a memorandum of understanding with local Palestinian leaders on several issues of concern to them.

The expectation is that the assurances contained in the memorandum will give the Palestinians the "political cover" they need to join the proposed Middle East peace conference without appearing to have conceded any ground to the Israeli government.

Israel has insisted that the Palestinian negotiating delegation include residents of only the West Bank and Gaza Strip. Palestinians from East Jerusalem or those connected in any way with the Palestine Liberation Organization would be barred.

The United States has quietly backed Israel's insistence on such conditions, but Palestinians have balked at the idea that anyone other than themselves should determine who should and should not represent the Palestinians in peace talks.

American and Jordanian officials have urged the Palestinians, in effect, to swallow their pride and join a process that is likely to benefit them more than any other single party, especially in view of the PLO's diminished international standing in the wake of the Persian Gulf War.

PLO Says It Won't Impose Obstacles

While the Palestinians believe firmly that they should be able to include representatives of East Jerusalem in their delegation, they also do not want to be the party responsible for preventing a peace conference that has already won the approval of Syria, Jordan, Lebanon and Israel.

According to reports from Tunis, the PLO made it clear Sunday that it would not stand in

the way of a peace conference.

Although the PLO continued to insist on certain conditions before it could authorize Palestinian participation, spokesman Bassam Abu-Sharif said he was confident that in the end, the necessary formulas for peace talks would be found.

U.S. Secretary of State James Baker was in North Africa over the weekend seeking wider Arab support for the proposed peace conference. It is believed he asked the leaders of Morocco, Tunisia and Algeria to persuade the PLO to allow Palestinian participation in the conference.

Baker spent five hours Sunday in Tunis, where the PLO is headquartered, but did not meet with any PLO officials, in conformity with U.S.

But PLO chief Yasir Arafat was reported to be hopscotching the Maghreb countries one step before Baker for each rendezvous.

The secretary's mission followed a meeting here Friday with three Palestinian leaders: Faisal Husseini, Hanan Ashrawi and Zakariya al-Agha. The four-hour meeting, the longest ever held between the two parties, concluded "affirmatively," according to Palestinian sources.

U.S. Switch On Statehood?

Ashrawi, a professor of English at Bir-Zeit University in the West Bank, refused to comment on the question of Palestinian representation in remarks to reporters after the meeting. But she did outline what she believed would be included in the memorandum of understanding to be drafted by U.S. officials here Monday.

The document will include U.S. guarantees for implementation of U.N. Security Council Resolutions 242 and 338, calling for exchange of territories for peace, and U.S. recognition of the Palestinians right of self-determination, including the right to an independent Palestinian state, she said.

But Israeli political observers ruled out the possibility the Americans would make any bold

new commitments, such as recognition of the right to a Palestinian state. The Israelis say the memorandum will at best reaffirm statements made in the past endorsing the rights of the Palestinians to join in determining their own future.

Israeli observers said Ashrawi's comments seemed more an effort to please local Palestinian public opinion than a reflection of any actual understandings reached with the Americans.

So precarious are the positions of the Palestinian leaders with whom Baker met that, following Friday's meeting, Moslem fundamentalists in Gaza made death threats against Husseini.

The Islamic Jihad group distributed a leaflet over the weekend threatening Husseini with the same end as the late King Abdullah of Jordan, King Hussein's grandfather, who was shot to death on the Temple Mount in 1951, following peace negotiations with Israel.

Husseini and Ashrawi left Saturday for a brief visit to Britain and possibly France, to try to rally support for the Palestinian position.

PALESTINIANS WILL JOIN CONFERENCE, MAYOR OF BETHLEHEM IS CONVINCED By David Friedman

WASHINGTON, Aug. 4 (JTA) -- The Palestinians will participate in the Middle East peace conference planned by the United States and the Soviet Union for October, Elias Freij, mayor of Bethlehem, said Friday.

"If we receive an invitation, we will accept and be present," he told reporters at the National Press Club.

But Freij refused to say directly whether this acceptance depends on Israel dropping its demand that no resident of East Jerusalem be part of the Palestinian delegation.

Instead, he indicated that the solution to any Israeli "obstacles" should "be found in Washington." He apparently was making that point in his meetings here with members of the Bush administration and Congress.

But Freij made it clear that the Palestinians consider East Jerusalem "part and parcel of the occupied West Bank" and as such should be part of the negotiations on the territories.

Israel, which annexed East Jerusalem, considers the status of Jerusalem non-negotiable.

"The Israelis say they want negotiations without preconditions," Freij said. "So why do they set up conditions?"

Freij said it is up to the Palestinians to choose their representatives for negotiations, not Israeli Prime Minister Yitzhak Shamir and his government.

"Is he looking for quislings and collaborators, or is he looking for genuine leaders, who can speak, who can negotiate and who can deliver?" he asked.

At the same time, Freij, a Christian who is considered a moderate, refused to say whether he would be one of the Palestinian negotiators and would not name any other potential candidates.

He only would say that the representatives would be "genuine, intelligent Palestinians." But he added that the Palestinian representatives should be part of a Jordanian delegation, as they share the same problems.

Freij also said that whatever the outcome of negotiations, Jerusalem should not be divided again. "I don't want to see the city redivided, never ever," he stressed. "The Berlin Wall has disappeared; we don't want another wall."

BUSH PAYS EMOTIONAL TRIBUTE TO THE MARTYRS OF BABI YAR By Gregory Liss

MOSCOW, Aug. 4 (JTA) -- President Bush was clearly moved as he paid tribute in Kiev last week to the tens of thousands of victims buried at Babi Yar, site of one of the first and most notorious Nazi experiments at annihilating Jews.

The American president's voice nearly broke with emotion as he addressed some 300 people Aug. 1 in front of a cast-iron monument at the ravine only recently acknowledged by Soviet authorities as a site primarily meant for mass Jewish death.

Many present had somehow survived the mass roundup and machine-gunning undertaken by occupying Nazi forces on Sept. 29, 1941 -- with dance music deliberately being played in the background to mask the sounds of repeated firings and the victims' cries

Others present had helped Jews escape, through a network of safe houses, at great risk to themselves. Bush asked them at one point to stand up to be recognized for their valor.

Many present wept silently throughout the 15-minute ceremony, Bush's last engagement on his three-day trip to the Soviet Union.

"None of us will ever forget," he said after placing a wreath on the vast monument depicting victims of torture and a mother comforting her child.

"The Holocaust occurred because good men and women averted their eyes from unprecedented evil," he said, his voice starting to break. "This memorial proves that eventually the forces for good and truth will rise again in triumph."

Ukrainian President Leonid Kravchuk also spoke of the significance of the site.

Soviet television made it clear that the vast majority of the 100,000 people shot and buried there were Jews -- in contrast to official insistence over many years that only Zionists failed to mention that Russians, Ukrainians and other nationalities had also suffered.

Diminishing Anti-Semitism

Until recently, Jews who tried to hold gatherings at the site were dispersed by police -reinforcing the Ukraine's reputation for anti-Sem-

A Hebrew plaque is to be erected on the site in the near future.

The new nationalist mood in the Ukraine has led to the diminishing of anti-Semitism in the republic after long years of mistrust between Ukrainians and its sizeable Jewish community.

Nationalist groups, led by the mass organization Rukh, have encouraged Jews to develop their cultural identity in what they ultimately hope will be an independent Ukraine.

The president's speech was the emotional high point of his visit to the Soviet Union.

He recounted how Nazi commanders had suggested to Kiev Jews that they were being taken to Palestine, then made them undress and undergo the humiliation of piling their valuables on the ground before shooting them and hurling the bodies into the pit.

Many, he said, committed suicide rather than subject themselves to the execution rite.

Bush's trip and the rousing reception he received from demonstrators chanting for a free Ukraine will liely enhance the process of improving relations between Jews and other groups.

GERMANY HINTS IT CANNOT PROVIDE ADDITIONAL ASSISTANCE FOR ISRAEL By David Kantor

BONN, Aug. 4 (JTA) -- In a move apparently intended to discourage further Israeli requests for assistance, the German government has published a detailed list of foreign aid commitments made to the Jewish state during the Persian Gulf War.

In response to a parliamentary question, Vice Foreign Minister Helmut Schaefer said Bonn would honor promises to buy or build over 1 billion marks (\$570 million) of military equipment for Israel.

Topping the list are two advanced submarines currently being built in a shipyard in Kiel. Bonn has also provided Israel with Patriot anti-missile systems and sophisticated equipment to detect chemical and biological weapons.

All of these projects were approved during the Gulf war, when both the government and the German public was shocked by the Iraqi attacks against Israel.

The timing of the government's disclosure of assistance is significant, insofar as Israel is currently attempting to line up political support for some \$2 billion in loans it is seeking from Germany to help absorb Soviet Jewish immigrants.

The government has repeatedly stated that it never promised to provide Israel with such assist-

But Israeli officials say that both Chancellor Helmut Kohl and Foreign Minister Hans-Dietrich Genscher responded positively when Israeli Foreign Minister David Levy requested such assistance in March

The Israeli request was partly based on the argument that since the former East German regime never paid reparations to victims of the Holocaust, united Germany should take upon itself the moral responsibility of rectifying the situation by providing aid desperately needed for immigrant absorption

But German officials have been negotiating separately on the reparations issue with the New York-based Conference on Jewish Material Claims Against Germany and apparently have no intention of making a separate deal with Israel.

Decreasing Sympathy For Israel

When Levy visited Germany in March, the country was still swept by a wave of sympathy for the Jewish state, and many were publicly criticizing the extensive involvement of German companies in Iraq's nuclear and chemical weapons programs.

But since then, a lot has changed, Israel has again assumed its traditional image as "bad guy" in the Arab-Israeli conflict and is being increasingly criticized here for its policies in the administered territories.

At the same time, the German treasury has been burdened by the need to provide economic subsidies to the area of the former East Germany in far greater dimensions than had been imagined. On top of that, the decision to move the seat of the federal government to Berlin is expected to cost some 100 billion marks (\$57 billion) over the next few years.

Faced with these pressures, Germany has no alternative but to reject the Israeli request for further assistance, government sources say. By listing aid commitments made during the Gulf war, the government in effect is signaling Israel that it feels it has done enough.

JEWISH STUDENTS IN MOSCOW TO HAVE PICK OF THREE JEWISH DAY SCHOOLS Ry Susan Rirnhaum

NEW YORK, Aug. 4 (JTA) -- When school bells ring next month in Moscow, things will be very different for Jewish children.

Three full-time Jewish day schools, in session from Monday to Friday, will be holding classes, according to Rabbi Pinchas Goldschmidt. the new religious leader of Moscow's main synagogue and deputy chief rabbi of the Soviet Union.

For some 600 to 1,000 expected students. ages 5 to 16, attending Jewish day school in Moscow also spells the end of the Communist nation's mandatory six-day school week and the freedom to observe Saturday as the Sabbath.

Although the majority of Jewish students will remain in state schools, which are in session six days a week, those who refuse to attend school on Shabbat now have a full opportunity to attend a Jewish religious school.

"As of now, whoever wants to go to Jewish school can go," Goldschmidt said during a visit last week to the World Jewish Congress.

Three buildings that will house Jewish schools have been given to the Jewish community for that purpose, although they are not former properties of Jewish groups, he said.

One of the schools will be overseen by the Israeli Ministry of Education, together with a local Soviet Jewish cultural group called Tehiya, not to be confused with the Israeli political party.

The Lubavitch Hasidic movement Chabad, operating through a New York-based organization, Lishkas Ezras Achim, runs a day school at the Choral Synagogue, as well as a yeshiva at the Marina Roscha Synagogue in Moscow.

On Monday, the building adjacent to the Choral Synagogue, also known as the Great Synagogue, will be returned to Jewish hands from the municipality after 50 years, to become a yeshiva and related offices.

That yeshiva will be run by the synagogue, with help from organizations such as the WJC and the American Jewish Joint Distribution Committee. and particularly Canadian Jewish businessman Albert Reichmann, Goldschmidt said.

More Respect Than In Israel

The rabbi has returned to Moscow for the ceremonies at the building, which will be attended by government authorities, the Israeli and U.S. ambassadors, and New York Rabbi Arthur Schneier, who is president of the Appeal of Conscience Foundation, an ecumenical organization promoting religious freedom worldwide. Schneier initiated negotiations on the return of the building with Moscow authorities in 1987.

Goldschmidt, a 28-year-old native of Zurich, is the former head of the Adin Steinsaltz yeshiva in Moscow and formerly taught in the Israeli town of Upper Nazareth.

Describing the strides being made in Jewish education and other transformations for the Soviet Union's Jews, he said he is still amazed by the respect now accorded religion there. When he hails a taxi in Moscow, he is asked if he is clergy. He is then told he can ride free.

"Even in Israel, I don't get such good treatment," laughed the bearded rabbi.

So overwhelming has been the change for Jews, and religious observers of all faiths in the formerly strictly atheistic state, that Goldschmidt was one of two clergymen who gave a blessing

last month at the inauguration of the Russian republic's first freely elected leader, Boris Yeltsin.

The appointment of Goldschmidt, who is also president of the rabbinical court of the Union of Jewish Religious Communities in the Soviet Union, brings a strong rabbinic authority to the country.

His position complements that of Rabbi Adolph Shayevitch, considered titular head of the Choral Synagogue and the Soviet Union's chief rabbi in the eyes of the government.

Goldschmidt described Shayevitch's knowledge as impressive and called their working relationship excellent.

More Assistance Needed

Goldschmidt, who is said to bring home some 20 young men each evening for meals, strongly suggested that the Soviet Union's Jewish population has not been adequately helped with its religious needs, such as kosher food and the requisite number of rabbis and teachers, to the same degree as the Jewish communities of Romania and Hungary.

He said that the Joint Distribution Committee, which has virtually sustained the Jews of those other countries, should extend itself more within the Soviet Union.

"I would like to see them more involved on the level of providing kosher food and primary and secondary Jewish education," the rabbi said.

Asked for comment, Ralph Goldman, honorary executive vice president of the JDC, replied, "We are working on a program that Goldschmidt submitted on shechita," or kosher slaughter. But, he added, "we explained that we are not going to ship in food. What we can do, what we want to do, is train indigenous shochetim. We are also examining the production of kosher wine."

Amir Shaviv, JDC spokesman, said that in less than three years, the humanitarian agency "has developed a major network of activities, and we are creating a Jewish infrastructure of Jewish religious and cultural life."

JDC has created libraries of Jewish books throughout the Soviet Union, has shipped "millions of religious items and sponsored major holiday celebrations in almost 30 cities," he said.

Shaviv said a Jewish art school sponsored by the JDC will open in Moscow next month, with 100 students between the ages of 7 and 14. The afternoon school will meet from 2 to 8, and "will give Jewish children the opportunity to develop their talents in a Jewish atmosphere," he said.

AIR FORCE GENERAL GROUNDS HIMSELF By Hugh Orgel

TEL AVIV, Aug. 4 (JTA) -- One of Israel's most experienced fighter pilots has effectively grounded himself in a novel attempt to adhere to austerity measures at a time of severe fiscal restraint in the Israel Defense Force.

Maj. Gen. Ran Goren, head of the Israeli air force's Manpower Branch, has logged thousands of flying hours and more than 400 combat missions, most of them aboard advanced F-16 fighters. But on Thursday, he will fly his last mission.

Goren, who was recently passed over in the appointment of a new air force commander, said his decision is not related to any resentment he might have felt by the slight, but rather serves to set an example to others.

As all pilots must continue to pass periodic proficiency test flights to keep their licenses, Goren is basically putting himself out of business.