

**BUDAPEST TO REMAIN TRANSIT CENTER
DESPITE ATTACK ON SOVIET EMIGRES**
By Agnes Bohm

BUDAPEST, Dec. 23 (JTA) -- The Jewish Agency will continue to fly Soviet emigres to Israel via Budapest despite a terrorist bomb attack Monday morning on a bus shuttling 28 of them from the downtown railroad station to the aliyah shelter near the Budapest airport.

Four of the emigres sustained minor injuries in the bombing. Four policemen in a vehicle escorting the bus were more seriously hurt, two of whom were reported in critical condition.

The bombing was said to be the first successful attack on Soviet Jews passing through the Hungarian capital, despite repeated threats. At least 160,000 have traveled via Budapest since mass emigration from the Soviet Union began in 1989.

The bombing was condemned by Hungarian Interior Minister Peter Boross in a statement to Parliament. He called it a "grave and unprecedented attack by professional terrorists."

But by late Monday, no group had claimed responsibility.

A police official said at a news conference that eyewitnesses reported spotting two Arabs near the car shortly before the bomb exploded.

The car was demolished by the explosion, which left a crater six feet deep. Forensic experts estimated the bomb contained over 200 pounds of explosives.

Israel's ambassador to Hungary, David Kraus, assumed the bombing was the work of Arab terrorists bent on stopping the flow of emigres to Israel. He said his country would retaliate.

In Jerusalem, the Israel Defense Force radio quoted Foreign Minister David Levy as saying "Israel not only has the tools but the ability to frustrate" such attacks.

Jewish Leaders Outraged

The bomb, detonated by remote control, exploded at 9:50 a.m. local time, seconds after the bus passed the parked car it was concealed in, the Jewish Agency said.

The bus windows were blown out, and the rear of the vehicle caught fire. But passengers did not panic, Gabor Ban, a Jewish Agency official, told the Jewish Telegraphic Agency.

Ban, who was riding with the olim at the front of the bus, said he was lifted from his seat by the explosion.

"When I realized I was alive," he said, he looked to the rear to confirm that the other passengers, including six young children and two infants, were also alive.

They got off the bus in an orderly manner and walked to a shelter at the airport parking lot a short distance away.

The emigres were later reported by the Jewish Agency to have arrived safely at a hostel, where a physician and a psychologist were on hand as a precautionary measure.

The hostel manager, Peter Fried, reported their morale was good, and they seem to have withstood the shock fairly well. He said the group was prepared to leave for Israel on an El Al flight Tuesday.

The Budapest bombing drew expression of outrage from Jewish leaders.

"We deplore this terrorist incident," Shoshana Cardin, chairman of the National Conference on Soviet Jewry, declared in a statement issued in New York.

According to Cardin, the bombing was clearly an attempt "to interfere with the Hungarian government's role in facilitating Jewish emigration and to intimidate would-be immigrants."

No Plan To Close Transit Center

Speaking in her capacity as chairman of the Conference of Presidents of Major American Jewish Organizations, Cardin said, "All civilized men and women must be revolted by this contemptible assault on innocent travelers."

"This vicious and ugly terrorist attack reminds us again that hatred of Jews and hatred of Israel still live and that there are people willing to commit murder to express it," she said.

Kent Schiner, president of B'nai B'rith International, praised the Hungarian government for stating its resolve not to allow the incident to deter the passage of emigrating Soviet Jews to Israel via Hungary.

In Israel, Uri Gordon, head of the Jewish Agency's Immigration Department, said the agency will continue regular operations at its Budapest transit station, regardless of the terrorist attack.

The center has processed 160,000 Soviet Jews since it opened in May 1990, Gordon said, and there is no intention to shut it down.

Many Soviet Jews still prefer to travel to Israel via Hungary, despite the establishment of direct flights to Tel Aviv from Moscow and St. Petersburg, formerly Leningrad.

The main reason is that they can carry larger quantities of luggage and household effects by train to the Hungarian capital, from where it can be forwarded to Israel by sea via an Adriatic port.

(Contributing to this report were JTA correspondents Hugh Orgel in Tel Aviv and Yehonathan Tommer in Jerusalem.)

**DEMJANJUK LAWYER TELLS HIGH COURT
U.S. AND ISRAEL WITHHELD EVIDENCE**
By Gil Sedan

JERUSALEM, Dec. 23 (JTA) -- John Demjanjuk seemed almost bored Monday, as Israel's High Court of Justice heard his lawyer level astounding new charges that Israel had knowingly convicted the wrong man for wartime atrocities committed at the Treblinka death camp in Poland.

The 71-year-old former Cleveland autoworker sat quietly on his bench, peered indifferently through his thick-lensed glasses and even yawned occasionally, as attorney Yoram Sheftel claimed the United States and Israel had suppressed evidence allegedly proving Demjanjuk was not the brutal Treblinka guard inmates called "Ivan the Terrible."

The justices, too, did not seem moved. But after five hours of arguments from Sheftel and rebuttals from Israeli prosecutor Michael Shaked, they agreed to hear new evidence from both sides, though not until next month.

Hearings on Demjanjuk's appeal of his 1988

death sentence, which resumed Monday after a four-month hiatus, have been adjourned until Jan. 15.

During his 1988 trial, the portly, bespectacled Demjanjuk was identified by five Treblinka survivors as the "Ivan" who terrorized concentration camp inmates.

But the defense has contended since the outset that the accused is an innocent victim of mistaken identity, who was wrongly extradited from the United States to Israel in 1986.

On Monday, Sheftel added a new wrinkle to that argument when he accused both the Israeli authorities and the U.S. Department of Justice of conspiring to suppress evidence that Demjanjuk and "Ivan" were not the same person.

The Justice Department's Criminal Division said last week that it was investigating the allegations and would give the matter "high priority."

Justices Appeared Annoyed

In the courtroom, attorney Sheftel presented his arguments fervently, but with such repetition that the five-judge panel appeared annoyed.

Prosecutor Shaked responded with scorn and indignation to Sheftel's charges.

The justices presided sternly but with an air of weariness over points raised many times before. Their skepticism toward the defense claims reflected an abiding faith in Israel's judicial system, which convicted Demjanjuk after a scrupulously fair trial in which the evidence presented against him seemed overwhelming.

Demjanjuk, clad in a brown pullover sweater and brown trousers, sat quietly throughout the proceedings, which he followed through an interpreter, although he is said to have picked up considerable Hebrew during seven years in an Israeli jail. He chatted amiably with his guards during the breaks.

Sheftel devoted much of his presentation to describing an alleged international conspiracy to conceal from the defense documents which could have prevented the defendant's extradition, much less his trial. The participants in the conspiracy, according to Sheftel, were the Americans, the Poles, the KGB and the Israeli prosecution.

In August, Demjanjuk's defense introduced a newly uncovered photograph, along with depositions given Soviet officials by 21 former Treblinka guards between the 1940s and 1960s, which seemed to point to a man named Ivan Marchenko as "Ivan the Terrible."

Sheftel charged that American and Israeli officials possessed that material since 1978 but suppressed it. He alleged that since Marchenko is probably dead, U.S. Nazi-hunters decided to frame Demjanjuk, who came to America after the war.

New Evidence For Prosecution

Demjanjuk, who was investigated by the Justice Department's Office of Special Investigations, was stripped of his U.S. citizenship in 1981 on grounds that when applying for it, he lied about his wartime activities.

Prosecutor Shaked maintained Israeli officials discovered the depositions only a year ago. He said he had access to them for the first time in December 1990 because of Israel's improved relations with the Soviet Union.

Moreover, the prosecution said Monday that it had further evidence refuting Demjanjuk's claim that he was never a concentration camp guard. Documents place him not only at Treblinka but at

the Trawniki SS training camp and Sobibor concentration camp, both in Poland, and at the Flossenberg camp in Germany.

In New York, Elan Steinberg, executive director of the World Jewish Congress, said Monday that the prosecution's additional evidence would "once and for all shatter Demjanjuk's alibi that he was in a prisoner of war camp" during the war.

Steinberg said the prosecution would present documents found in the German National Archives.

"They are a collection of German SS documents which include Demjanjuk's name, showing his service in Sobibor, Flossenberg and Ravensbrück," he said.

"And even more significantly, it lists his serial number as 1393, the same number on the Trawniki card, which the defense has always maintained was a forgery," he said.

Demjanjuk is the second person sentenced to death by an Israeli court. The first, Nazi war criminal Adolf Eichmann, was hanged in 1961.

But even if the High Court upholds the sentence, it could be commuted by the president of Israel.

CONCERN RAISED OVER REPORTS OF ANTI-SEMITISM IN ESTONIA

By Michel Di Paz

PARIS, Dec. 23 (JTA) -- Troubling reports of widespread anti-Semitism in the newly independent republic of Estonia has prompted a Jewish protest to the Estonian Parliament.

Shimon Samuels, European director of the Simon Wiesenthal Center, wrote to Arnold Rutter, chairman of the Presidium of the Estonian Supreme Soviet, warning these incidents "not only threaten the Jewish community but also the credibility of Estonia's movement toward democracy."

Efforts by the new Estonian regime to rehabilitate Nazi collaborators who helped murder and torture Estonian Jews during World War II were reported last month by the Jewish Cultural Society in Tallinn, the Estonian capital.

The reports were accompanied by an appeal for Western assistance in lobbying the Estonian government to halt such efforts.

Samuels said there have been calls in Estonia for legislation to rehabilitate war criminals and collaborators. He cited reports that veterans of former SS units responsible for the mass slaughter of Estonian Jews have held reunion meetings all over Estonia recently.

The Jewish cemetery in Tartu, where one of the meetings occurred, was desecrated. The city was the site of a wartime concentration camp.

Samuels referred in his letter to articles in the Estonian press that he said incited hatred against the country's 3,000 surviving Jews.

A similar situation existed in Estonia's Baltic neighbor, Lithuania, where a campaign to rehabilitate war criminals seems to have been canceled as a result of international protests.

Jean Kahn, president of CRIF, the representative council of French Jewish organizations, met recently in Strasbourg, France, with Lithuanian President Vytautas Landsbergis, who promised that war criminals in his country would not be pardoned.

**LIKUD VOTES AGAINST ELECTORAL REFORM,
KILLING CHANCE OF MEASURE'S ADOPTION**
By David Landau

JERUSALEM, Dec. 23 (JTA) -- Likud's huge Central Committee voted overwhelmingly late Sunday against supporting an electoral reform measure soon to be voted on by the Knesset.

About 80 percent of the 3,400 members rejected the pending legislation, which calls for popular election of the prime minister by a separate ballot during the quadrennial Knesset elections.

Political analysts said the lopsided vote likely kills the chances of the electoral reform measure passing the Knesset.

The Central Committee meeting also was the occasion for a barrage of attacks on Labor and the left-wing opposition parties.

Prime Minister Yitzhak Shamir accused the left of "consorting with the worst of our enemies," who "would rob us of Jerusalem and who resort to armed terrorism against us."

Even more strident was the attack by Likud hawk Ariel Sharon, who blamed Labor for U.S. pressure on Israel in the peace process.

While targeting Labor, the outspoken housing minister discarded for the moment his promised challenge of Shamir for party leadership and the office of prime minister.

Labor Party leaders reacted swiftly. "Beneath comment," declared Yitzhak Rabin.

Haim Ramon, chairman of Labor's Knesset faction, accused Likud of incitement.

The left-wing Mapam and Citizens Rights Movement likened the Likud attack to the "worst of Bolshevik hate propaganda."

Some observers sensed that Likud's assault on Labor was contrived to justify its opposition to a reform measure it once actively supported.

Not too long ago, leading Likud figures, including Shamir, backed reform, on the grounds that it would eliminate the unsavory coalition bargaining process, which most Israeli politicians profess to abhor.

But that was before polls indicated that Rabin, who was defense minister in the last unity government, would out-poll Shamir in a direct election.

**UNIFIL ANGRILY PROTESTS SHELLING
OF IRISH BASE BY ISRAELI TROOPS**
By Hugh Orgel

TEL AVIV, Dec. 23 (JTA) -- Israel's often tense relations with U.N. peacekeeping forces in southern Lebanon suffered further strains after Israel Defense Force artillery allegedly shelled a U.N. base near A-Turi on Sunday night.

The commander of the nine-nation United Nations Interim Force in Lebanon lodged a stiff protest. The commander of UNIFIL's Irish battalion operating the base urged his government to register a diplomatic protest with Israel.

An IDF spokesman said Monday that the incident was being investigated and refused to give any details at this time.

UNIFIL charges that Israeli gunners opened fire on the U.N. encampment suddenly Sunday night, without provocation. One shell destroyed the mess hall and kitchen, which were empty at the time, UNIFIL said.

There were no casualties because the soldiers were asleep in a different building.

"This was the annual Israeli Christmas

attack on our men," the Irish commander was quoted as saying.

An Irish soldier was killed shortly before Christmas 1989 in cross fire during a shoot-out with the IDF and its allied South Lebanon Army had with a guerrilla band in the southern Lebanon security zone.

**CHRISTMAS RETURNS TO BETHLEHEM
AS PEACE TALKS REPLACE INTIFADA**
By Gil Sedan

JERUSALEM, Dec. 23 (JTA) -- Unlike in previous years when the intifada was at its peak, Bethlehem is having a prosperous Christmas season this year.

The situation is "very relaxed," the Israel Defense Force's district commander reported Monday. Tourism is picking up. A hundred buses arrive each day and all of the hotels and restaurants are open.

The return to normal after the tension of the past four years is attributable to the current peace process involving Israel in talks with the Palestinians and neighboring Arab states.

Palestinian dissidents opposed to the process were warned off by Bethlehem Mayor Elias Freij, a participant in the peace talks. He urged residents to ignore leaflets circulated in town calling for a general strike during the holiday.

The strike call was contrary to instructions issued by the intifada unified command to keep shops and restaurants open for the holiday, Freij said.

He said the Palestinian leadership, inside and outside of the Palestine Liberation Organization, "supports the opening of Bethlehem and neighboring Beit Sahur."

Freij warned Moslem fundamentalists and radicals not to try to interfere with the way Bethlehem celebrates Christmas, "because when there are other holidays, we do not interfere in their affairs."

**JNF RETURNS TO BASEL, SWITZERLAND,
90 YEARS AFTER IT WAS FOUNDED THERE**
By Tamar Levy

GENEVA, Dec. 23 (JTA) -- More than 1,000 people from around the world came to the Swiss city of Basel last week to attend the 90th anniversary celebration of the Jewish National Fund.

They gathered in the same Casino Hall where the establishment of the land acquisition agency for the Jewish people was announced by Theodor Herzl on Dec. 19, 1901, during the fifth Zionist Congress.

But the speeches delivered there last week reflected concerns far different from those that absorbed Zionists at the beginning of the century.

Simcha Dinitz, chairman of the World Zionist Organization, spoke of Soviet aliyah, which he hoped would reach the 1 million mark by 1995.

For the first time since the destruction of the Second Temple in 70 C.E., the majority of the world's Jews will live in Israel, Dinitz said.

He expressed concern that substantial numbers of Soviet olim, unable to find jobs, are leaving Israel. But he said there is "no cause for alarm," since such defections have accompanied emigration waves in the past.

The JNF celebration was attended by delegations from North and South America, Australia and Europe, including the former Communist bloc countries of Czechoslovakia and Hungary.

BEHIND THE HEADLINES:**AMERICAN ZIONIST GROUPS AT ODDS OVER ZIONIST CONGRESS ELECTIONS**

By Larry Yudelson

NEW YORK (JTA) -- The organization that calls itself "the parliament of the Jewish people" is drawing up plans for an election that critics charge will be an election in name only.

At issue is the makeup of the American delegation to the World Zionist Congress, scheduled to convene next June in Jerusalem.

The congress will decide who runs the World Zionist Organization and will choose half the leadership of the Jewish Agency for Israel, the quasi-governmental body that disperses money raised for Israel by the United Jewish Appeal.

The WZO constitution, following the practice established by Theodor Herzl at the second Zionist Congress in 1898, mandates that delegates be chosen democratically by those who pay dues and affirm belief in Zionist principles.

In practice, the electorate is the 1 million or so American Jews who are members of at least one of 13 Zionist organizations, which include the American affiliates of Labor and Likud, as well as the religiously based Zionist affiliates of the Orthodox, Conservative and Reform movements.

For the 1987 congress, 210,957 ballots were cast of 900,000 mailed out to members of Zionist organizations. Total cost for the Zionist elections was \$1.01 million.

This time around, most Zionist organizations are looking for a shortcut.

"Because of the constraints, not least the time and money involved, it's impossible to hold general elections," said Moshe Kagan, citing the high cost of resettling Soviet Jews.

Kagan, a longtime activist with Americans for a Progressive Israel, chairs the American Elections Committee of the American Zionist Federation, the umbrella grouping of Zionist bodies that is charged with implementing the election process.

Reform Group Won't Go Along

In the past, Zionist groups have forestalled elections by unanimously agreeing on how to divide up the delegates, generally by following the results of the previous election.

But this year, one group refuses to go along.

"Voting for the WZO is the only way to give individual Jews control over the Jewish Agency," said Rabbi Eric Yoffie, executive director of ARZA, the Association of Reform Zionists of America.

Unable to approve a slate of delegates in the face of ARZA's objections, the Area Elections Committee has in recent weeks been discussing other ways to choose representatives that would be "consistent with generally accepted democratic principles," as required by the WZO constitution.

With the exception of ARZA, members of the elections committee have reached a consensus on a plan, though some details remain to be decided.

It calls for the slate to be selected by an "electoral college" of around 600 members. The vote cast by an electoral college member, in secret ballot, would represent one-quarter of an American delegate to the congress.

The members of the electoral college would be apportioned among the Zionist organizations, which would be charged with choosing their representatives in a democratic manner.

"We're trying to do our best to preserve as

much of the democratic nature of the WZO as possible," said Kagan.

But Yoffie called the plan "a fraud," since electors will not vote freely but be beholden to the organizations they represent.

Rabbi Matthew Simon, president of Mercaz, the Zionist arm of Conservative Judaism, agreed that "the overwhelming number of electors may vote for their own Zionist organizations," even though they would not be required to.

Mercaz May 'Lose The Most'

That could hurt Mercaz, which won 23,000 votes in the 1987 elections, even though it only had 15,000 members at the time. Such crossover voting is unlikely if the electoral college plan goes through.

"We do not kid ourselves that dozens of electors are going to vote for Mercaz," said Simon, whose organization now numbers close to 40,000. "We may stand to lose the most."

But he said Mercaz favors the plan nonetheless. "We're simply interested in being good Zionists and saving money," he said.

The one issue that remains on the agenda and is blocking a final decision is how to distribute electoral college representatives among the different organizations.

One position, favored by Simon and others, is to divide them in proportion to the delegates to the last congress.

But that seemingly logical solution has a snag: The 1987 delegation reflected not only the votes received by the parties, but also penalties imposed on some groups for "irregularities" on their membership lists.

The penalties were taken as a percentage of the votes received, the same percentage as an audit of their membership rolls found to be not-valid memberships in the context of an election.

Not surprisingly, those groups who were penalized -- unjustly so, they contend -- want this slate of delegates to be divided by the raw, unadjusted vote totals recorded last time around.

It has been suggested that ARZA is insisting on full-scale elections because it would likely, as in the previous election, to gain delegates at the expense of the older, more established Zionist groups, such as the Zionist Organization of America and Hadassah.

But Yoffie insists his stand is a matter of principle. He said it had been suggested to him that if ARZA went along with the consensus, "they would find ways to give us more delegates." But by doing so, he said, "you're corrupting the entire system."

EILAT HOTEL GUTTED BY RAGING FIRE

TEL AVIV, Dec. 23 (JTA) -- One of the worst fires in Israel's history destroyed the three-story Queen of Sheba Hotel in Eilat early Monday morning, routing its 250 guests, 25 of whom were hospitalized.

Israeli air force transports and planes of Arkia, the domestic airline, ferried firefighters from different parts of the country to the Red Sea resort town, whose own small fire brigade was unable to cope with the blaze.

The hospitalized guests, mostly European tourists, were treated mainly for smoke inhalation.

Fourteen were soon released but 11 remained for further treatment. At least two suffered fractures and concussion when they leaped from second- and third-floor windows of the hotel.