

75th ANNIVERSARY YEAR**WEDNESDAY, MARCH 11, 1992****VOL. 70, NO. 48****SENATORS SEE EYE TO EYE ON LOANS,
BUT MUST STILL WIN BAKER'S ASSENT**

By Howard Rosenberg

WASHINGTON, March 10 (JTA) -- Two key senators have settled their differences on legislation that would provide Israel with U.S. guarantees for billions of dollars in loans needed for immigrant resettlement.

But they have yet to close the gap with the Bush administration, and one concerned member of the House of Representatives expressed doubt that they would strike a deal before a congressional deadline passes.

Sen. Patrick Leahy (D-Vt.), chairman of the Senate subcommittee that deals with foreign appropriations, announced Tuesday that he had reached a compromise with Sen. Robert Kasten (R-Wis.), the subcommittee's ranking Republican.

Leahy, who has held up subcommittee action on the loan guarantees, said his panel could vote on the proposed legislation within a week.

Their proposal would require the Bush administration to release the first installment of a five-year package of loan guarantees this year. But in subsequent years, the administration would be given "a lot" of discretion in deciding whether to guarantee the remainder of the \$10 billion total requested by Israel, a pro-Israel lobbyist explained.

Moreover, the total guaranteed would be reduced by the amount of money Israel spends completing construction projects already begun in the administered territories.

The Bush administration has insisted that Israel halt all new construction, but has said it would be willing to allow Israel to finish existing projects, provided that an amount equivalent to the cost is deducted from the loan package.

Secretary of State James Baker has also insisted in recent weeks that the administration have full discretion over the amount and timing of the loan guarantees. The Leahy-Kasten plan would only grant that discretion in the first year.

'Time Is Running Out'

In an effort to bridge their differences, Leahy and Kasten met with Baker several times last week, most recently on Friday. But the negotiations ground to a halt when Baker left over the weekend for meetings in Brussels. They were expected to resume following his return late Wednesday.

Rep. Lawrence Smith (D-Fla.) has cast doubt on the likelihood of loan guarantee legislation emerging within the next three weeks, as required by Congress' legislative timetable.

Congress must adopt a foreign aid bill by March 31, in order for various countries to receive their U.S. aid for the last six months of this fiscal year. Israel is slated to receive the second \$1.5 billion installment of its annual \$3 billion in all-grant military and economic aid.

Because of the recession, foreign aid is not popular right now. The most politically insulated way for Congress to approve foreign aid now, given that it is an election year, is for it to be included in a so-called continuing resolution that would continue the assistance at existing levels.

But a continuing resolution could not include

a loan guarantee package for Israel because it is not an existing program for this fiscal year.

Assessing the choice between a foreign aid bill and a continuing resolution, the strongly pro-Israel Smith said, "I doubt very seriously whether there will be anything but a C.R."

"Time is running out," he said. "And getting the United States to agree to anything that Israel would agree to is almost impossible. Their points of view are 180 degrees apart," Smith said in an interview Tuesday after addressing the Simon Wiesenthal Center's National Leadership Conference here.

Israel Keeping Options Open

Smith said he had spoken to various members of the Senate, where any loan guarantee measure would first be voted on, and "no one is overly optimistic -- nobody," he said.

The pro-Israel lobbyist said there are "ample reasons for concern, and the patient has got a serious illness here."

"But to write premature obituaries here is a mistake, because there are substantial possibilities that a solution will be found," he said. "People are working very hard to make it happen."

Housing and Urban Development Secretary Jack Kemp, who also addressed the Wiesenthal Center group, told the Jewish Telegraphic Agency he believes "a compromise will be worked out."

But Kemp said he was not "privy to any inside information."

The HUD secretary, a staunch supporter of Israel and former congressman from New York, added that the issue is "so sensitive" that both Israel and the United States "should lower the profile and allow diplomatic relations to work in such a way as hopefully a compromise can be worked out."

Sen. John Seymour (R-Calif.) predicted, "We will find a way to reach a compromise, and a satisfactory compromise, so that principle is maintained on both sides."

Israeli Ambassador Zalman Shoval, who also addressed Hier's group, said Israel is keeping its options open in deciding whether to favor any compromise guarantee bill ironed out between the Bush administration and Congress.

Shoval left the door open for Israel's agreement to such a compromise "if that compromise takes care of the basic essential aim of this whole thing," which is "to help us in absorbing immigrants from the Soviet Union."

**BONDS LAUNCHES AN EMERGENCY DRIVE
BECAUSE OF UNCERTAINTY OVER LOANS**

By Stewart Ain

The New York Jewish Week

NEW YORK, March 10 (JTA) -- State of Israel Bonds launched a \$100 million emergency bond sales drive in response to uncertainty over whether Israel will be able to secure U.S. loan guarantees for \$10 billion.

The money would be used to help compensate Israel for the higher interest it would have to pay if the United States does not underwrite the loans needed to absorb an estimated 1 million new immigrants over the next five years.

Michael Siegal, Israel Bonds' national cam-

paign chairman, said at a news conference Monday that without the United States co-signing Israel's loan, it would cost the Jewish state an extra 2 percent, or \$200 million, over five years.

"Bonds will do it," Siegal pledged, meaning it would raise the money to cover the difference. "We have the capacity. There will be no problem in appealing to the marketplace to raise the money," he said.

Siegal cited Israeli Housing Minister Ariel Sharon, who said last week that Israel should pursue alternatives rather than capitulate to the Bush administration's demand that Israel freeze the construction of new settlements in the West Bank in return for the loan guarantees.

"We are that other alternative," Siegal declared.

'No Way' To Make Up \$10 Billion

Joel Tauber, soon to be installed as the United Jewish Appeal's national chairman, said last week that there was "no way" his organization could make up for a loss of the American loan guarantees.

"No way is it possible to replace the \$10 billion," he said. "It's just not there."

But Siegal has faith in the emergency sales effort. He pointed out that \$200 million in bonds have already been sold this year and that the goal is to sell \$1.5 billion by Dec. 31.

Last year, \$990 million worth of Israeli bonds were sold.

Siegal said he is optimistic the \$1.5 billion goal will be achieved because Israeli bonds are financially attractive. The most popular denomination, \$25,000, now pays a rate of return of 7.5 percent.

The interest is paid biannually and the bonds bought by retirement funds can be redeemed after three years.

Siegal said there are \$4 billion in retirement funds invested each year in the United States and that Israeli bonds' rate of return makes it a very attractive investment.

Ashamed Russian Jews Need 'Handouts'

Another reason the bonds are expected to sell well is that the money raised will be used to resettle immigrants from the former Soviet Union and Ethiopia.

Israel Bonds President Meir Rosenne said all the money invested in Israeli bonds is used to build housing and infrastructure for the immigrants and to find them jobs.

"Since 1951, Israel Bonds has raised more than \$12 billion for the economic infrastructure of Israel and paid back close to \$7 billion," said Rosenne, former Israeli ambassador to the United States. "The need for bonds is now more important because of the large influx of immigrants."

"We want to make sure Jews don't go into the garbage looking for food and asking for handouts."

Rosenne added that 40 percent of the 350,000 immigrants who have arrived since 1989 are not working in the profession for which they were trained in the former Soviet Union.

Elie Wiesel, the Nobel laureate and author who was an early advocate on behalf of Soviet Jewry, told reporters that "nothing can be more important for anybody but to save human life. To save Russian Jews is a priority. The fact that some of them are hungry shames me."

"I literally feel ashamed that Russian Jews in Israel should need handouts. They act like

beggars, and if they are beggars it's our fault. What is happening to our people, to humankind, all those men and women who usually respond to those who are hungry? When human rights and human dignity are at stake, money shouldn't matter."

Asked why this week was chosen for the emergency drive, Siegal said that a spark was needed to bring the American community out of the lethargy generated by the "negative press regarding the loan guarantees and the peace process."

ISRAEL NEEDS LOANS AND SETTLEMENTS, ASHKENAZIC CHIEF RABBI TELLS BUSH

By David Friedman

WASHINGTON, March 10 (JTA) -- Israel needs both U.S. guarantees for \$10 billion in loans and the Jewish settlements in the West Bank and Gaza Strip, Israel's chief Ashkenazic rabbi told President Bush this week.

Rabbi Avraham Shapira said that during a brief meeting with Bush at the White House on Tuesday, he tried to explain that choosing between the two was similar to the choice King Solomon gave two women who each claimed the same baby as their child.

The rabbi said the president did not respond. The Bush administration has told Israel that it will not guarantee the loans, which are needed for absorbing immigrants, unless Israel stops building settlements.

Shapira gave this account in Hebrew to an Israeli television reporter. But in remarks that were translated into English, the chief rabbi said he visited Bush as a rabbi, not as a politician or diplomat.

He presented Bush with a Bible and thanked the president, not only for what he has done for Israel, but also the world. Specifically, the chief rabbi praised Bush for speaking out against bigotry and the taking of hostages.

When he was asked about newspaper reports that Secretary of State James Baker used an obscenity in referring to American Jews, Shapira replied, "This is what the newspapers said, and one does not always need to believe what is in the newspapers."

Edward Djerejian, assistant secretary of state for Near Eastern affairs, who was standing behind the rabbi, shook his head in agreement.

Baker has vehemently denied making the remark, which was first reported last week by the New York Post.

ISRAELI SOLDIERS KILL ARAB IN GAZA

JERUSALEM, March 10 (JTA) -- An Arab resident of Gaza was shot dead by Israel Defense Force soldiers Tuesday morning after a failed hit-and-run attack at a roadblock.

Four soldiers and a policeman were slightly injured when the car tried to run them down and collided with a military vehicle instead.

The encounter nearly triggered a riot as angry crowds gathered in front of the dead man's home and scattered burning tires on the road before soldiers restored order.

Meanwhile, the army announced it would release 300 security prisoners from the Ketziot detention camp in the Negev as a goodwill gesture on the occasion of the Moslem holy month of Ramadan. None of the prisoners picked is more than two months short of completing his sentence.

STREAM OF MOURNERS PAY RESPECTS TO BEGIN, THE 'FATHER OF THE NATION'

By Gil Sedan

JERUSALEM, March 10 (JTA) -- Although he was not the longest-serving prime minister of Israel, Menachem Begin had the longest-lasting funeral of any Israeli leader.

It continued for hours after his burial Monday on the Mount of Olives.

Mourners flocked to the cemetery long after the family and dignitaries had departed. Some walked silently past the fresh grave. Others bent to kiss the pile of stones that accumulated on top, tossed there, according to custom, by people who came to pay their last respects.

From time to time, an elderly person would pause at the grave and offer a military salute to the commander of Irgun Zvai Leumi, the underground guerrilla army Begin led during the final years of the British Mandate in Palestine.

The visits continued well after dark. The national feeling was summed up Tuesday in a banner headline on the front page of the mass-circulation daily Yediot Achronot: "From the People of Israel, With Love."

The outpouring of affection was remarkable considering that Begin was rarely seen in public or heard from during most of the last decade of his life.

He chose a reclusive existence after he suddenly resigned from office in September 1983. But the thousands who attended his funeral remembered him with love.

"He was the father of the nation," said one man as he walked, weeping, in the funeral procession.

Paradoxically, Begin, the ultimate Ashkenazic Jew with the gallant manners of a Polish gentleman, appealed most deeply to the Sephardic population, the Jews of Middle Eastern and North African origin.

A Sort Of 'Secular Chief Rabbi'

Israeli Foreign Minister David Levy, who was born in Morocco and is the highest-ranking Sephardic Jew in government, explained why the cultural gap disappeared.

In a front-page article Tuesday in the intellectual daily Ha'aretz, he wrote of Begin's "social sensitivity," observing that "he never knew the price of a car, but always knew the price of a loaf of bread."

But Begin was no great social reformer. He rarely left the comforts of his Jerusalem home to visit the poorer neighborhoods and development towns, inhabited mainly by Sephardic Jews.

Apparently it was sufficient for the Sephardic population that he spoke out against 29 years of Labor Party rule, which they perceived to be discriminatory against Sephardic Jews.

Another facet of Begin's appeal to the Sephardic community was his respect for religious tradition.

He listened to the radio on the Sabbath, which traditional Jewish law forbids. But he persisted in using the phrase "Be'ezrat Hashem" (God willing), which endeared him to the pious.

Begin was the first prime minister to include Agudat Yisrael, a non-Zionist Orthodox party, in the government after its departure from the Ben-Gurion regime in 1952.

At the same time, Begin made non-observant Jews proud to be Jewish without having to be religious. He was a sort of "secular chief rabbi,"

who offered the people Judaism with no strings attached.

Many say there is no leader of his mold in Israel now. Even the most enthusiastic supporters of Prime Minister Yitzhak Shamir find it difficult to love him. Neither is Defense Minister Moshe Arens the "lovable type."

The more moderate Levy and the hard-line Ariel Sharon do a little better inspiring public affection, but neither is in a league with Begin.

The outpouring of love for the departed former prime minister Monday may also have been an expression of disenchantment with the present leadership of the country.

ISRAEL VOICES CONCERN ABOUT SALE OF NORTH KOREAN SCUDS TO SYRIANS

By David Landau

JERUSALEM, March 10 (JTA) -- Israel has expressed its concern to the United States over information that North Korea is providing Syria with advanced Scud missiles, as well as the technology to produce them.

According to Ze'ev Schiff, military correspondent for the Israeli daily Ha'aretz, Syria is buying from North Korea the Scud-C missile, which has a range of 373 miles, and a more advanced Scud, whose range is 620 miles. Damascus is also adding warplanes and tanks to add to its already copious arsenal.

The North Koreans are, in fact, now believed to be shipping Scud-Cs to both Syria and Iran, and the United States has said publicly it is considering intervention.

U.S. intelligence agencies are reported to be tracking the Iranian-flag ship Iran Salaam, which is suspected of carrying Scud-Cs from North Korea to Syria.

American defense authorities have also been tracking another ship, the Dae Hung Ho, which left North Korea in early February believed to be carrying Scud-Cs and related equipment.

U.S. warships had been ready to intercept or board the Dae Hung Ho if it entered the Persian Gulf, but they reportedly lost track of the ship.

U.S. intelligence believed the Scud-Cs were headed for the Iranian port of Bandar Abbas, but other reports said the ship was bound for another Iranian port, Busheir, or for Karachi, Pakistan.

Another North Korean ship, the Dae Hung Dan, also sailed in February and is being watched. But Washington officials say they do not believe Israeli intelligence reports that it is carrying equipment for the manufacture of Scuds.

Schiff of Ha'aretz considers direct American interdiction on the high seas most unlikely.

Such action would not be well-founded in international law, given that the U.N. Security Council has not voted an embargo on either Syria or Iran, he pointed out.

In a related development, both The New York Times and the weekly news magazine U.S. News and World Report are reporting that North Korea is about to become a nuclear power.

Robert Gates, the director of the Central Intelligence Agency, recently returned from a Middle East trip and reported that North Korea is just months away from becoming a nuclear power.

U.S. News, in its March 16 edition, writes, "North America and its allies may be facing a painful choice: Either use military force to prevent North Korea and others from going nuclear, or learn to live in a world in which nearly every nation that wants nuclear weapons has them."

JEWISH LEADERS PLEDGE EFFORT TO HELP PROTECT ENVIRONMENT

By David Friedman

WASHINGTON, March 10 (JTA) -- A broad range of Jewish leaders has agreed to launch a major effort to involve the Jewish community in the national effort to protect the environment.

During an unprecedented two-day meeting with scientists and senators on Capitol Hill, the leaders -- representing all four religious denominations and the major secular organizations -- agreed that the Jewish community needs to be awakened to the dangers threatening the environment.

"You don't have to be Jewish to be an environmentalist, but it is certainly consistent with Jewish tradition," said Sen. Joseph Lieberman (D-Conn.) at a news conference Tuesday, on the second day of the "Consultation on the Environment and Jewish Life."

Lieberman said that Judaism is a faith that requires protection of the Earth.

This was stressed in a statement signed by the Jewish leaders and three senators: Lieberman, Frank Lautenberg (D-N.J.) and Arlen Specter (R-Pa.).

"For Jews, the environmental crisis is a religious challenge," the statement said. "As heirs to a tradition of stewardship that goes back to Genesis and that teaches us to be partners in the ongoing work of Creation, we cannot accept the escalating destruction of our environment and its effect on human health and livelihood."

The statement acknowledged that the Jewish agenda is "already overflowing" with such issues as Israel, the resettlement of Jews from the former Soviet Union, anti-Semitism, the welfare of Jews throughout the world and domestic U.S. problems.

"But the ecological crisis hovers over all Jewish concern, for the threat is global, advancing and ultimately jeopardizes ecological balance and the quality of life," the statement said.

A Need To Educate The Community

The statement was signed by leaders of four major national organizations: Shoshana Cardin, chairman of the Conference of Presidents of Major American Jewish Organizations; Marvin Lender, national chairman of the United Jewish Appeal; Arden Shenker, outgoing chair of the National Jewish Community Relations Advisory Council; and Rabbi Jerome Davidson, president of the Synagogue Council of America.

The Orthodox movement was represented by Rabbi Marc Angel, president of the Rabbinical Council of America, and Sheldon Rudoff, president of the Union of Orthodox Jewish Congregations of America.

Participating leaders of the Conservative movement included Rabbi Irwin Groner, president of the Rabbinical Assembly; Dr. Ismar Schorsch, chancellor of the Jewish Theological Seminary; and Alan Tichnor, president of United Synagogue of America.

Reform leaders included Walter Jacob, president of the Central Conference of American Rabbis; Dr. Alfred Gottschalk, president of Hebrew Union College; and Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations.

Dr. Arthur Green, president of the Reconstructionist Rabbinical College, represented his movement.

The Washington meeting, which featured the noted scientists and activists Carl Sagan and Stephen Jay Gould, was an outgrowth of a meeting in New York last year between scientists and religious leaders that sought to bring the two occasionally antagonistic groups together on environmental issues. A second meeting is scheduled for May.

Jewish participants decided that they should hold a meeting to discuss the issue from a specifically Jewish vantage point.

Rabbi David Saperstein, director of the Religious Action Center of Reform Judaism, said that one of the first efforts will be within the Jewish organizations themselves. They will work on expanding conservation and recycling in Jewish organizational offices, community centers and synagogues.

There also will be a major effort made to educate the Jewish community itself, particularly the young, Saperstein said.

The community will also expand the educational effort to government and business in both the United States and Israel, he added.

But the real challenge is to convince individual Jews, as well as all Americans, to participate in the effort on a personal level, said Schorsch of the Rabbinical Assembly.

"If we don't change the lifestyle of individual Americans," the problem will never be solved, he said. He added that it was here the religious community could do its part.

VISITOR REPORTS JEWS IN YEMEN ARE FREE BUT WANT TO EMIGRATE

By Michel Di Paz

PARIS, March 10 (JTA) -- A French Jew who visited the Jewish community of Yemen says the some 1,800 Jews still living there suffer no discrimination and enjoy complete freedom of movement.

Still, a substantial number want to leave to join relatives abroad, said Roger Pinto, who headed a delegation to Yemen last week.

Pinto, who is vice president of CRIF, the Representative Council of French Jewish Organizations, and president of the International Committee for the Defense of Jewish Communities in the World, met with representatives of the Yemeni Jewish community as well as ranking government officials.

He emphasized that his trip had been facilitated by the French authorities.

Pinto told the Jewish Telegraphic Agency that Yemeni officials put no obstacles in the way of Jews leaving the country, although they consider them "a tremendous historical asset" and wish they would stay.

He and his group met with the Yemeni foreign minister, Abdel Karim al-Ariani, who said he did not oppose the emigration of Jews, provided their destination is not Israel.

Yemeni Jews experience no social ostracism, Pinto said. Nevertheless, they are easily distinguishable from the general Moslem population.

He explained that "in Yemen, every man carries a traditional dagger in his belt, a right denied to Jews. Add to that that the Jews wear sidelocks and you can understand why anyone can tell a Jew from a distance," Pinto said.

He ascribed their desire to leave Yemen to economic difficulties.

Pinto also claimed there are no restrictions on the Jews' movement in Yemen.