

75th ANNIVERSARY YEAR

TUESDAY, MARCH 17, 1992

VOL. 70, NO. 52

**BUSH SAID TO REJECT SENATE DEAL
ON LOAN GUARANTEES FOR ISRAEL**

By David Friedman

WASHINGTON, March 16 (JTA) -- Israel's request for U.S. loan guarantees appears to be on its deathbed, though it could still be resuscitated at the last moment.

Prospects for winning approval of the guarantees dimmed over the weekend when President Bush reportedly rejected a proposed legislative compromise hammered out last week by Sen. Patrick Leahy (D-Vt.), chairman of the Senate subcommittee dealing with foreign appropriations, and Sen. Robert Kasten (R-Wis.), the panel's ranking Republican.

Bush informed Leahy of his decision in a telephone conversation Sunday, according to pro-Israel sources. Leahy then canceled a subcommittee hearing on the loan guarantees that had been scheduled for Tuesday.

Leahy is scheduled to meet with the president on Tuesday, in a last-ditch effort to win support for the legislation, which would be included in the foreign aid bill that Congress must adopt by March 31. That is when the continuing resolution on foreign aid that Congress approved last fall expires.

The guarantees would enable Israel to borrow as much as \$10 billion from commercial banks on favorable terms. The money would be used to help resettle 1 million immigrants from the former Soviet Union expected to arrive over the next five years.

The Bush administration supports guaranteeing the loans in principle, but is insisting that Israel agree to freeze all building in the administered territories. It is willing to allow Israel to finish projects already begun, but only if the cost of completion is subtracted from the amount of loans guaranteed.

Kasten and Sen. Daniel Inouye (D-Hawaii) co-sponsored a bill last fall that would provide the guarantees to Israel with no strings attached. But Bush has vowed to veto the bill, and pro-Israel lawmakers doubt they can muster enough votes for an override.

'We Will Not Beg Or Crawl For Help'

Under the compromise worked out by Leahy and Kasten, Israel would receive guarantees for the first \$1 billion immediately, minus \$150 million deducted for what Israel is expected to spend on settlements between April 1 and Sept. 30, the end of the current fiscal year.

The president would then have the discretion whether or not to provide Israel with guarantees for an additional \$1 billion for this year and \$2 billion annually for the subsequent four years.

But Bush balked at that proposal, insisting that the administration retain discretion of guarantees for the first \$1 billion, as well.

If Leahy is unable to convince the president to change his mind, the Leahy-Kasten compromise could still be offered on the Senate floor as an amendment to the continuing resolution on foreign aid. But again, pro-Israel forces would have to muster votes from two-thirds of both chambers of Congress to override a likely presidential veto.

After March 31, the loan guarantees could

be offered up any time during the year or as part of the 1993 foreign aid bill, which must be approved by Oct. 1. But the chances of Congress approving new foreign aid in an election year dominated by concern over the U.S. economic recession are considered to be slim.

This means that unless Bush and Leahy reach an agreement before March 31, the loan guarantees would probably not even be considered before the new Congress takes office next January, pro-Israel sources say.

Israeli officials already seem resigned to not getting the loan guarantees.

"We are a small people, but we are a proud people, and we will not beg or crawl for help," Israel Defense Minister Moshe Arens declared.

Speaking Monday at a luncheon during the eighth national young leadership conference of the United Jewish Appeal, Arens expressed hope that "our friends in Washington" will provide the guarantees.

"But should they choose not to do so or to append intolerable conditions to this assistance, then without rancor and with continuing friendship for this great country, the United States, we shall have to do it ourselves," Arens said.

His remarks were received with thunderous applause from the more than 3,000 people attending the UJA conference. They signed copies of a letter to Bush urging him to approve the loan guarantees without any conditions.

Arens said Israel cannot accept the U.S. conditions on settlements, because "we are being asked to renounce the right of Jews to live in Judaea and Samaria. We are being asked to abandon a key element of Israel's security,"

**ARENS AGREES TO AMERICAN REQUEST
FOR INVESTIGATION OF ARMS CHARGES**
By Howard Rosenberg

WASHINGTON, March 16 (JTA) -- As the White House denied that U.S. officials are trying to undermine relations with Jerusalem, the State Department announced Monday that it would send a fact-finding team to Israel to probe charges that the Jewish state transferred U.S.-made weapons or technology to other countries.

State Department spokeswoman Margaret Tutwiler said the purpose of the mission would be to "ensure that there are not any misunderstandings on technology transfer questions."

Israeli Defense Minister Moshe Arens discussed the subject Monday during an hour-long meeting at the Pentagon with Defense Secretary Dick Cheney and said afterward that Israel would cooperate with any U.S. investigation.

Arens told reporters that Cheney cited "intelligence information that the United States had" to back up the allegations, which Israel has categorically denied.

In Israel, Prime Minister Yitzhak Shamir said Monday that Israel has never violated any clause or condition governing transfers of U.S. technology to a third country.

Speaking to reporters in northern Israel, Shamir charged that unidentified American officials were spreading "slander and lies" aimed at discrediting Israel.

In Washington, White House spokesman

Marlin Fitzwater denied that the United States is trying to harm relations with Israel.

"We want good relations with Israel. We've worked long and hard for good relations," he said.

Arens, when asked about any U.S. smear campaign, said, "I don't know who's behind it, because the people who have put forth these allegations have insisted on remaining anonymous."

Asked how serious a crisis the technology transfer issue creates in U.S.-Israel relations, Arens replied, "Well, I hope it's not a crisis at all, because the allegations are groundless."

'Overriding Concern' Is Peace Process

One of the most serious allegations, first made public March 12 in The Washington Times, is that Israel transferred U.S. technology on the Patriot missile-defense system to China.

When asked about that Monday, Arens said he told Cheney "that there was no ground at all for the allegation that Israel had sold Patriot missiles or Patriot missile technology to China."

Arens also dismissed the possibility that a rogue operation to transfer technology was conducted without Israeli government permission.

Arens did not speak about other allegations, that Israel may in the past have sold anti-tactical ballistic missile technology to South Africa, and cluster bombs to Ethiopia and Chile.

One of the allegations involving Ethiopia arose two years ago when rebel groups there alleged that forces aligned with the government, which has since been deposed, had dropped Israeli-made cluster bombs in civilian areas. Such bombs tend to inflict more casualties than ordinary bombs by spreading smaller charges over a wide area.

At the time, the Israeli government denied those allegations and said it had only supplied light weaponry to the Ethiopian government, such as guns and rifles.

Allegations of this kind have surfaced during Arens' other recent trips to Washington, a pro-Israel lobbyist here pointed out. He said the pattern is beginning to look like the American equivalent of the Israeli government's inauguration of a new Jewish settlement in the West Bank each time Secretary of State James Baker visits Israel.

The lobbyist played down suggestions from pro-Israel circles here that the timing of the charges may be linked to the standoff on Israel's request that the United States guarantee \$10 billion in loans to help immigrant absorption.

Instead, the lobbyist suggested that the charges came to the fore simply to coincide with Arens' trip to Washington and with this week's biannual meeting of the U.S.-Israel Joint Political Military Planning Group.

Arens told the United Jewish Appeal's young leadership conference here on Monday that he first heard of the allegations upon his arrival in the United States last week.

The defense minister acknowledged that U.S.-Israeli relations are at a difficult stage because of the loan guarantees standoff. But he expressed confidence that the friendship between the two countries would remain solid despite occasional differences.

"Our overriding concern is the peace process," he stressed. "We want good relations to further the peace process."

(JTA correspondent David Landau in Jerusalem contributed to this report.)

BEHIND THE HEADLINES:

IDF ANTI-TERROR UNIT IN TERRITORIES IS GAINING EXPOSURE AND POPULARITY **By Gil Sedan**

JERUSALEM, March 16 (JTA) -- Unlike many of their older brothers who tried to avoid service in the administered territories, new recruits to the Israel Defense Force seem eager for it.

They are passing up the prestigious para-troop and commando units to volunteer for an undercover operation aimed at destroying the intifada by infiltrating its strongholds.

IDF soldiers, often disguised as Arabs, use James Bond-type tactics to track down the most wanted leaders of the 4-year-old Palestinian uprising.

On Sunday, an IDF special force killed three Palestinians and wounded a fourth in a raid on the Askar refugee camp near the West Bank city of Nablus.

All four men were high on the list of most-wanted terrorists.

The operation was carried out by the undercover unit code-named Duvdevan (cherry), which operates in the West Bank.

Among those killed was local intifada leader Na'im Laham, 25, a suspect in numerous shooting attacks on Israeli vehicles or IDF patrols in the Nablus area.

Duvdevan's counterpart in the Gaza Strip, code-named Shimshon (Samson), suffered its first fatality last week. A soldier, Baruch Ben-Shimon, was shot to death during a raid on a terrorist hideout.

By then, the Israeli public was aware of the covert activities and was engaged in a hot debate over the wisdom of disclosing what was until last year a top-secret operation.

Revealed Secret Or Powerful Deterrent?

During a prime-time newscast one Friday night several months ago, Israel Television broadcast a special report about Duvdevan.

Israeli viewers saw films of what appeared to be old men or women in the streets of Arab towns who in reality were IDF soldiers in disguise.

They were tracking a wanted terrorist, put off guard by their harmless appearance until surprised and overpowered by a tough young soldier whom they thought to be an arthritic olderster.

Israeli television viewers were delighted by the real-life action drama. But there was overwhelming criticism from the public for exposing the secret.

The criticism was aimed at the IDF High Command because, clearly, the film report could not have been made without full cooperation of the IDF and the approval of its chief of staff, Lt. Gen. Ehud Barak.

The IDF replied that publicizing the work of the undercover squads was a powerful deterrent because now intifada activists cannot be sure who is friend or foe.

Moreover, while the Israeli public was kept in the dark, the special squads were hardly a secret to the Palestinian population in the territories.

Shimshon and Duvdevan are now the most popular outfits among new recruits. And the IDF has announced that it plans to beef up the units to cope with increasing violence in the territories, especially the Gaza Strip.

NEO-FACISTS STAGE RALLY IN SLOVAKIA ON NAZI PUPPET STATE'S ANNIVERSARY

By Josef Klansky

PRAGUE, March 16 (JTA) -- Bratislava was the scene of a neo-fascist rally Saturday marking the 53rd anniversary of Adolf Hitler's creation of the Nazi puppet state of Slovakia, which deported its Jews to death camps.

The meeting in the Slovak capital attracted several thousand devotees of the fascist state, which lasted from March 14, 1939, when Czechoslovakia was occupied by the German army, until the fall of the Third Reich in 1945.

It was the only time in history that Slovakia was nominally independent, though, in fact, it was controlled by Nazi Germany. That brief era exerts a nostalgic attraction for present-day Slovak separatists, many of whom were born after World War II.

The key speaker at the Bratislava rally was Stanislav Panis, a Holocaust denier who is a member of Czechoslovakia's federal Parliament and a former pop music drummer.

Panis claimed in a Feb. 26 interview on Norwegian television that the Nazis could not possibly have killed 6 million Jews with the technology available at the time.

"The ovens could simply not manage to burn all of them," he was quoted as saying.

Newspaper columnist Karel Kovanda of the Prague daily Lidove Noviny called on the wavering forces in the Slovak political arena to say "enough is enough" to people like Panis.

Kovanda noted that "such remarks are punishable by law in France, Canada and Germany" and urged the Immunity and Mandate Committee of the federal assembly to declare that a person like Panis, who openly preaches racial intolerance, has no place in the supreme legislative body of the country.

Most Parties Did Not Take Part

Kovanda said Panis insulted the memory of the 6 million dead in an apparent attempt to exculpate the wartime Slovak regime, which even paid the Germans to liquidate 70,000 Jews.

Slovakia was headed by Father Jozef Tiso, an anti-Semitic Roman Catholic priest handpicked by Hitler, who was subsequently hanged as a war criminal.

Most of Slovakia's political parties, including the separatist Slovak national party, did not take part in the neo-fascist event, which featured symbols and paraphernalia of the Nazi era and anti-Jewish, anti-Czech slogans.

Some of them openly condemned the organizers for sully Slovakia's image in the world.

But the attitude of several Slovak politicians and political parties is ambiguous as they prepare for the elections in June.

While condemning the deportation of Jews by the Tiso regime, Slovak Prime Minister Jan Carnogursky defended Tiso's declaration of Slovakia's independence, on Hitler's order, as the only alternative to the country's occupation by Hungary.

The Christian Democratic movement, headed by the prime minister, split recently when its radically separatist wing defected to form a new party.

The chairman of the Slovak National Council, who was elected in 1990 as a member of the Slovak branch of President Vaclav Havel's Public Forum, has now joined Carnogursky's Christian Democratic movement.

GERMAN JEWS CALL FOR TRIAL OF EX-NAZI PARLIAMENTARIAN

By David Kantor

BONN, March 16 (JTA) -- The German Jewish community has demanded a trial for Gustav Just, a Social Democratic member of the Brandenburg state Parliament who resigned March 10 after admitting complicity in the murders of six Jews during the war.

The murders were committed in the Ukraine in July 1941, when Just was a soldier in the invading German army.

Heinz Galinski, chairman of the Jewish community, challenged the contention by Brandenburg's justice minister, Hans-Otto Braeutigam, that Just cannot be tried because of the statute of limitations.

In a radio interview, Galinski, a Holocaust survivor, pointed out that Germany abolished the statute of limitations for murder and complicity in murder. He noted that the German authorities are still trying to extradite war criminals living abroad in order to put them on trial.

Just, 71, resigned under pressure from his party after the weekly newspaper Welt am Sonntag exposed his role in the 50-year-old crime. The newspaper obtained the information from the files of the former East German Ministry of State Security, known as the Stasi.

It kept a dossier on Just, who was an East German national before the country's unification last year.

Meanwhile, the trial of war criminal Josef Schwammberger, begun last year, continues in Stuttgart. He is accused of killing Jews at three concentration camps in Poland where he served as commandant during the war.

The panel of judges will travel to Miami on Wednesday to take testimony from an elderly Jewish survivor who is too sick to travel to Germany.

CANADIAN RIGHT-WING PARTY EXPELS FIVE FOR RACIST TIES

By Gary Pogrow

VANCOUVER, British Columbia, March 15 (JTA) -- The Reform Party of Canada, which just established a committee to purge its membership of neo-Nazis and declared racists, has expelled five members for associating with racist organizations.

"Our investigations are such that four" of those expelled "are associated with the Heritage Front," said Cliff Fryers, executive council chairman and chief operating officer for the party. He described the front as an organization promoting "racism and hatred."

The fifth was expelled for signing up the four members.

All five live in the Toronto area.

The right-wing party, headquartered in western Canada, is now the fourth-largest political party in the country. At times, it surpasses Canadian Prime Minister Brian Mulroney and his Conservative Party in public opinion polls.

Established in November 1987, the Reform Party has continuously had a shadow of charges of racism and anti-Semitism hovering over it.

Last fall, the Reform Party was attacked by the opposition Liberal Party for having policies similar to those of American Republican presidential candidate David Duke, a former Ku Klux Klan leader accused of racism and anti-Semitism.

TWO EDITIONS OF DEAD SEA SCROLLS TO BE PUBLISHED, SETTLING DISPUTE

By Larry Yudelson

NEW YORK, March 16 (JTA) -- The dispute over the Dead Sea Scrolls seems finally settled, with the imminent publication of two editions of the 2,000-year-old documents.

One of them will be the first replicas of the documents published with the approval of the Israeli Antiquities Authority.

The other is a second edition of a "bootleg" reproduction, reprinted with slight changes to conform to an injunction issued in January by the Jerusalem District Court.

The Israeli Antiquities Authority found itself embroiled in an uncharacteristically loud debate when it stood behind the academics charged with piecing together and publishing the parchment fragments, against other researchers who were demanding that copies of the documents be immediately released.

Most of the scrolls, discovered in the Judean Desert between 1947 and 1956, have been published over the years.

But around 1,800 fragments, some as small as a word or two, remained unpublished, waiting until definitive interpretations could be prepared by a select group of scholars, or increasingly, as the years dragged on, their chosen students.

The unpublished portions represented about one-fifth of the total parchments recovered from the caves where the Dead Sea Scrolls had been preserved.

They are kept at the Rockefeller Museum in East Jerusalem, which until 1967 was under Jordanian authority.

The scholarly monopoly was finally broken last year when the Huntington Library, in San Marino, Calif., announced that it would release a set of microfilm copies of the fragments which it had in its possession.

The Antiquities Authority protested and threatened legal action, but in the end acceded.

Battle For Access Has Been Won

Announcement of the resolution was made last week by E.J. Brill, a renowned scholarly printing house in Leyden, Holland.

Frans Pruyt, Brill's managing director, said the publishing house had been authorized by the Israeli Antiquities Authority to issue a complete microfiche set of the scrolls -- including the unpublished fragments.

Pruyt told reporters that the microfiche set would be edited by Professor Emanuel Tov, a Dutch-born scholar who is the head of the scholarly team working on the scrolls.

The published work will be titled "The Dead Sea Scrolls on Microfiche -- A Comprehensive Edition of the Texts from the Judean Desert," and will be priced at \$285.

The news was greeted by those in the field as proof that the battle for publication of the scrolls had been decisively won.

"That's the last word, from the point of view of everything being open to the public," said Professor Lawrence Schiffman of New York University, an authority on the scrolls.

"I welcome the development," said Hershel Shanks, who as publisher of the Biblical Archaeology Review led the fight for free access to the texts.

In November, Shanks published a two-volume facsimile of the unpublished fragments alone. He

would not say where he had obtained the photographs of the scrolls.

In January, the Jerusalem court barred distribution of the books, after a scholar charged they improperly included a transcription of one of the fragments that he had prepared.

Because the transcription included his guesses as to what missing letters and words said, the court considered it new research and covered by copyright laws.

Shanks announced he would fight the injunction, but said last week that a new edition of his facsimile set, without that transcription and a revised introduction, would be out next month.

Meanwhile, scholars are also able to work from the Huntington microfilms, meaning they will soon have three different ways to look at the newly released texts. But the task of reconstructing and interpreting the texts has only begun.

(JTA correspondent Henriette Boas in Amsterdam contributed to this report.)

ARTIST YOSSEI STERN DEAD AT 69; KNOWN AS 'PAINTER OF JERUSALEM'

By Gil Sedan

JERUSALEM, March 16 (JTA) -- Yossi Stern, known as "the Painter of Jerusalem" and one of Israel's foremost artists, died Saturday at age 69.

Stern, a Holocaust survivor from Hungary, put special emphasis in his drawings on depicting the "new Jew," a sabra, wearing shorts, sandals and looking tough.

But along with his popular drawings, particularly for children books and the press, Stern slowly earned a place as a serious painter whose work was known worldwide. He was also a popular art teacher at the Bezalel Arts Academy here.

Stern died Saturday morning, after a month of hospitalization. Following a second heart attack, he sank into a coma, from which he did not wake up.

Seven years ago, at the age of 62, Stern made news by coming out with a surprise announcement that he was homosexual.

"I was never in a closet, and therefore I never came out of it," he told the Israeli daily Yediot Achronot during an interview.

"I have always treated the intimate part of life discreetly. Whoever asked, I always told the truth, but people didn't ask," he said.

Rumor had it that he had a long affair with the American conductor Leonard Bernstein. Stern did not deny this but hated the fact it had become a rumor, stressing that he wanted to keep his private life private.

"There are three men whom I go to bed with every night," he used to say. "Marcus Aurelius, Baruch Spinoza and Martin Buber."

But his openly admitted love affair was with Jerusalem. Mayor Teddy Kollek named him "the Painter of Jerusalem."

Stern spent many long hours painting the city that he loved. He used to spend hours on end, walking along the streets, the alleys, swallowing the city in his mind, and then come home and record his impressions on canvas.

Loved by so many, in a way he was always an outsider. He has never had an exhibition at the Israel Museum, on the hill across the valley from his home. He had few exhibitions abroad.

But so many books are illustrated with his drawings, so many walls in Israel carry a Yossi Stern. He had, in fact, become an integral part of Israeli culture, perhaps more than he realized.