

**SPARKS FLY BETWEEN U.S. AND ISRAEL
OVER MIDDLE EAST REGIONAL TALKS**

By David Friedman

WASHINGTON, May 13 (JTA) -- The talks on Middle East regional issues, which opened here and in Brussels on Monday and in Ottawa on Wednesday, generated more fireworks than all five rounds of bilateral peace talks since October, though they covered supposedly less sensitive ground.

The talks sparked another abrasive quarrel between the Bush administration and Israel and seemed to accomplish little of substance.

Israelis were apoplectic over U.S. State Department spokeswoman Margaret Tutwiler's seemingly off-hand assertion Tuesday that since its adoption in 1948, the United States has supported U.N. General Assembly Resolution 194, which calls for the right of return or compensation for Arabs who fled Israel.

While reiterating this position Wednesday, Tutwiler stressed that the United States also believes that the issue should be resolved only through the bilateral negotiations between Israel and the Palestinians.

She said that was why the United States opposed the Palestinian effort to raise the issue at the Ottawa session on refugees Wednesday.

But the Israelis would not be mollified. They boycotted the Ottawa talks on refugees and stayed away from the Brussels sessions precisely because their attendance by non-indigenous Palestinians was viewed as a symbolic affirmation of the right of return.

U.S. Statement Seen As Vindication of Shamir

Likud officials said Tutwiler's statement was vindication of Prime Minister Yitzhak Shamir's decision to boycott the Ottawa and Brussels talks.

Shamir refused to be swayed by a letter over the weekend from Secretary of State James Baker saying that the United States did not view the presence of diaspora Palestinians at the peace talks as recognition of the right of return.

In Ottawa on Wednesday, Palestinian spokesman Muhammad Hellaj said Israel's boycott of the refugee meeting "reflects the lack of seriousness on the part of Israel in confronting the core of the Palestinian problem -- the issue of refugees and their right of return to their homeland."

With Israel absent from the Ottawa talks, the Palestinians were free to assert what they view as their inherent, natural right to return to their homes in Israel.

Tutwiler said Wednesday she could understand the Israeli outrage because of what she called "wild and amazing" stories by Israeli reporters who she said misinterpreted her remarks.

She said she was accused of announcing the U.S. position on the U.N. resolutions, when all she did was respond to a question.

Tutwiler apparently was referring to an exchange she had with an Arab reporter who asked whether the Palestinians' right to return "to Jaffa" was "an interpretation of the relevant U.N. resolutions."

But Israeli officials saw her remarks as a "punishment" for Israel's boycott of the Ottawa

talks. They persisted in focusing their concern on the very fact that the State Department, on the eve of the refugee talks that Israel was boycotting, chose to voice its endorsement of the basic right to return.

Israel was "shocked" by Tutwiler's statement, said Ehud Goll, the prime minister's spokesman.

There were outcries also on the left. Labor said it had always opposed the Palestinian claim to a right of return as a threat to Israel's existence.

Meretz, the new peace bloc, called the right of return "inconceivable" and urged demonstrating to the Americans "the gravity of their mistake."

Little Progress Being Made

Meanwhile, the regional talks on arms control continued in Washington on Wednesday with Israel and 19 other countries listening to U.S. and Russian experts expound on how the United States and the former Soviet Union conducted arms talks during the Cold War.

An agenda for the next session is expected to be set before the talks end Thursday.

The Brussels talks on economic development adjourned disconsolately Wednesday after admitting that no progress will be made without advances in the bilateral Israeli-Arab negotiations.

Syria and Lebanon are boycotting all of the multilateral meetings ostensibly because of lack of progress in the bilateral phase.

"We hope that (Syria, Lebanon and Israel) will be present at our next meeting, which will take place in October in Paris," said Leonardo Mathias, the ambassador of Portugal, the country that currently chairs the European Community Council of Ministers. The E.C. is hosting the talks in Brussels.

At another meeting in Brussels, unrelated to the multilateral talks, Israeli Foreign Minister David Levy defended his country's decision to boycott them.

Levy Meets With E.C. Ministers

Levy attended Israel's annual meeting with the 12 E.C. foreign ministers on trade and mutual cooperation.

He said the presence at the multilateral session of Palestinians from outside the West Bank and Gaza Strip showed that the principles agreed to by all parties before the peace conference opened in Madrid on Oct. 30 "have not been respected" by one of the parties.

Israel agreed to sit down only with Palestinians from the West Bank and Gaza Strip.

Levy, meanwhile, said he had "excellent" discussions with the E.C. ministers.

But apparently they achieved little to advance Israel's desire to improve its economic position in Europe.

"The qualitative enhancing of our relations with Israel will only take place when there is real progress in the peace process," Joao de Deus Pinheiro, foreign minister of Portugal, told reporters at a news conference with Levy.

(JTA correspondents David Landau in Jerusalem and Yossi Lempkowicz in Brussels contributed to this report.)

PEROT AFFIRMS SUPPORT FOR ISRAEL, BUT REMAINS RETICENT ON DETAILS

By Larry Yudelson

NEW YORK, May 13 (JTA) -- H. Ross Perot affirmed his support for Israel in his first address to a Jewish audience since becoming a presidential contender, but failed to spell out any position regarding issues central to the American Jewish agenda.

When pressed at a news conference following his speech, he said his views on loan guarantees and Israeli settlements are among the issues he is still studying.

"Israel is our friend. Israel has been our friend. Israel proved in technicolor that it is our friend in the recent war. And you stand by your friends and it's just that simple," Perot told 450 people at a dinner Tuesday night hosted by the American Jewish Committee.

All in all, Perot's 7-minute speech fell far short of a policy statement, and the news conference after the dinner gave little new information to reassure pro-Israel lobbyists concerned at the emergence of a possible presidential candidate who has no recorded positions on issues regarding Israel.

"I am not an authority on every single issue about Israel. I'm studying all those issues now," he told reporters, responding to a question about loan guarantees and settlements in the administered territories.

Asked to elaborate on his implied promise to stand by Israel, Perot said that "under pressure, you don't cut and run." He refused to explain further, saying, "I don't want to undercut the process under way now."

In his speech, Perot described Israel as "a beacon to its part of the world in terms of its democratic government."

"I feel very strongly that Israel has not fully tapped the potential of all the great intellects of that country," he said.

'Enormous Economic Opportunity' In Israel

"There is enormous economic opportunity in the minds of the people who are there. When you look at the talent flowing to Israel these days, I believe that is a challenge to all of us over here to figure out how, in the tiny world we live in, to help Israel tap that potential, to help Israel have greater economic stability," said the Texas billionaire.

Perot was invited to speak to the AJCommittee two weeks ago, by Alan "Ace" Greenberg, the chairman of Bear Stearns & Co.

Perot began his speech by discussing the Holocaust. Outside his Dallas office is a bust of Raoul Wallenberg, he said.

"It's a constant reminder in my life of what man is capable of inflicting on other people. That's a problem we have to face," he said.

He recalled hearing the woman who sheltered Anne Frank explain simply, "I just loved that little girl."

Asked Perot: "Does it have to be more complex than that? Why should it be more complex than that?"

Not much was more complex than that in Perot's speech, though he later promised reporters that if elected, he will be "under the hood of the car, working on the engine" in his quest for detailed solutions to the country's ills.

"My message is very simple," he said. "Number 1, we ought to love one another.

"And for those of us who cannot cross that threshold, we ought to get along with one another, for the very simple reason that all of us who understand sports know is true: Divided teams lose, united teams win.

"If I could capture all the energy we lose in racial division, I could light up this country. This is just no longer acceptable in a mature country like ours today."

He said he had denounced David Duke as "reprehensible" when the former Ku Klux Klan leader ran for Louisiana governor last fall, and that he had promised to join a boycott of Louisiana that was threatened if Duke had won.

Perot mentioned his meetings with Israeli leaders.

"I had the privilege of meeting (former Prime Minister) Golda Meir, and certainly I think about her.

"My son and I, when he was 12 years old, had the privilege of spending several hours with General (Ariel) Sharon, shortly after the Six-Day War. And until the day I die, I will never forget when my son suddenly started asking the man who won the Six-Day War questions about strategy and tactics, and General Sharon treated him like another man.

"We had the privilege of spending the day with (Jerusalem Mayor) Teddy Kollek, and I saw him reaching out to everyone and trying to make sure that he could provide a home and safety for everyone. He was a tremendous role model."

The remainder of his speech was an anecdote about a tailor who fled Russian anti-Semitism and lived to see his grandson chosen as president of Perot's firm. This, he quoted the grandfather as saying, was the fulfillment of the American dream.

ISRAEL RECONSIDERS DEPORTATION AND TRIES FACE-SAVING SOLUTIONS

By Gil Sedan

JERUSALEM, May 13 (JTA) -- Israeli authorities, having had second thoughts about the effectiveness of deporting Palestinians as a means of reducing tension in the territories, are trying to work out face-saving solutions for dealing with intifada activists.

Israel is considering substituting the expulsion of 11 Palestinians with a temporary deportation for a year or two -- with the consent of the potential deportees -- according to reports here.

Officials had decided in January to expel the 11, seven from the Gaza Strip and four from the West Bank. They were arrested during a spate of violent attacks on Jews and an increase in murders of Palestinian informers by fellow Palestinians.

But the judicial process of appeals moves slowly. Senior security officials have concluded that the deterrent effect of deportation is lost in the months it takes the appeals process to inch its way to the High Court of Justice.

Although the process has been exhausted in the cases of the 11 deportees who now may be expelled at any time, the authorities seem willing to get their consent to remain outside the country voluntarily for a year or two.

Past experience has shown that this kind of arrangement is often acceptable to the Palestinians. Only last week, a Palestinian was deported to Jordan with the understanding that he would be readmitted to Israeli-controlled territory after 18 months.

JEWIS IN FORMER USSR GATHER TO DECIDE WHETHER TO WORK AS UNIFIED COMMUNITY

By Mark Joffe

ODESSA, Ukraine, May 13 (JTA) -- Delegates from the far reaches of Siberia to the coast of Estonia gathered this week in this historic center of Jewish culture to decide whether Jews of the former Soviet Union should continue working together as a united Jewish community.

There was talk of aliyah and anti-Semitism, and heated exchanges over internal finances. But the central issue facing the third congress of the Vaad was an existential one: Should the Confederation of Jewish Organizations and Communities in the former Soviet Union survive?

The issue arose last year with the secession of the Baltic republics and became a major challenge after the disintegration of the Soviet Union in December.

The Lithuanian Jewish community has pulled out of the Vaad entirely, and only a small delegation from Latvia showed up for this week's conference.

Russia and Ukraine, meanwhile, each set up their own Vaad, and some delegates argued that such bodies at the republic level made the overall confederation unnecessary.

But members of the Vaad presidium argued forcefully for preserving a confederation uniting Jews from a region that covers one-sixth of the earth's land mass.

"We subscribe to preserve our union here," Josef Zissels, a Vaad co-president from the Ukrainian town of Chernovtsy, told some 300 delegates to the conference in the opening speech Sunday night.

"Whatever states we live in," he said, "we have a common path and a common future."

Michael Chlenov of Moscow, the Vaad's other co-president, told the delegates that the organization should "emphasize our unity and at the same time stress the individuality of the various communities."

Chlenov, a short man with twinkling eyes who has made numerous visits to North American Jewish communities, recounted how Odessa's rabbi had asked him before the congress whether it would turn into a funeral or a wedding. He told the rabbi that the Vaad leaders had instead decided to have a birthday.

But even as the Vaad celebrates the beginning of its fourth year, it is clearly undergoing growing pains.

"We have entered a phase of maturity, when the number of internal conflicts is increasing," said Chlenov.

But the Vaad often still acts like "an infant who waddles with joy on the grass," he added.

That became clear Monday, when the Vaad audit committee delivered a scathing report detailing extensive mismanagement of the organization's finances during the last year.

Among the findings were that few records were kept concerning income or expenditures. Some bills were paid more than once, and in many areas, far more money was spent than was budgeted.

In one case, a gift of 562,000 rubles (about \$5,500 at the current exchange rate) was made to an undisclosed recipient. There were also reports that the bookkeeper, who has since been fired, embezzled millions of rubles to buy an apartment for her daughter.

The report rocked the auditorium as delegate

after delegate rose to express indignation. When the head of the audit committee announced that 300,000 rubles had been given to individual republics, a delegate from Kazakhstan rose to ask why his Central Asian republic had received none of the money.

Called to account for this conduct, members of the Vaad presidium ducked questions and gave sheepish responses.

"It's quite right that no books were kept at the initial stage," Chlenov admitted. But he added that the Vaad had since "passed through the state of organizational teething problems."

Whether that is true remains to be seen. But there is little doubt that leaders of the Vaad want Jews in the former Soviet Union to be treated like a mature Diaspora community.

"The Jewish world continues to proceed from the assumption that we are a vanishing community," Chlenov said Sunday night. He said world Jewry continues to treat the former Soviet Union as a Jewish "no-man's land," when in fact the Vaad represents some 400 flourishing Jewish organizations and communities.

"We resist all attempts to eclipse our efforts," Zissels said in his speech. "We want to be part and parcel of the entire Jewish people."

At the same time, leaders of the Vaad say they feel they cannot depend on world Jewry, as generous as it has been in revitalizing Jewish life and assisting in emigration.

Chlenov recalled that during the second day of the failed coup against former Soviet president Mikhail Gorbachev last August, international Jewish organizations stopped their activities in the Soviet Union.

"We were in danger of facing this situation on our own," he said. The incident proved that "nobody from the outside can actually help us, despite their well-wishing."

But the coup also "became the testing ground for the Vaad," Felix Milshstein, a member of the presidium, said in a speech Sunday night. "The putsch proved that all of us were united."

Whether that holds true in the future still remains to be seen.

ROMANIA'S CHIEF RABBI SEEKS U.S. AID, WARNS OF DANGER TO JEWISH COMMUNITY

By David Friedman

WASHINGTON, May 13 (JTA) -- Romania's chief rabbi, Moses Rosen, warned Americans last week that unless the United States helps Romania economically, there is no chance that democracy will emerge in the former communist country.

"Hungry people going to the ballot are dangerous people," said Rosen, and democracy cannot survive if the people are hungry, Rosen said in a talk to reporters Wednesday at the National Press Club.

He said Jews would be the "first scapegoat" of a resurgent fascism if democracy fails in Romania. But "this is a danger not only for us," but for all Romanians, the rabbi warned.

Rosen was introduced by Aurel Dragos Munteanu, a Jew who is Romania's new ambassador to Washington.

Rosen, 80, said that despite promises to the Jewish community, President Ion Iliescu has done little to stop anti-Semitism in the country. He said he was especially disturbed by the growing attempts to rehabilitate the name of Ion Antonescu, Romania's pro-Nazi dictator who encouraged the massacre of Jews in World War II.

UJA, CJF AND UIA SET UP JOINT OFFICE IN ISRAEL TO SPEAK 'WITH ONE VOICE'

By Larry Yudelson

NEW YORK, May 13 (JTA) -- Three American Jewish organizations are about to set up a joint office in Jerusalem, in a move indicative of changes in American Jewish organizational life that go beyond sharing office supplies.

For Israelis and visiting Americans with business at the branches of organized American Jewish philanthropy, putting the Israel offices of the United Jewish Appeal, the Council of Jewish Federations and the United Israel Appeal under one roof promises to cut down on confusion.

And at some point, consolidating the three offices, two of which are already in the same building, will likely save money.

But the move's real purpose, say officials of the organizations, is to strengthen American Jewry in its dealings with both the Israeli government and the Jewish Agency.

"We're going to be speaking with one voice," said Joel Tauber, who assumes the post of UJA national chairman on May 19.

He added that working together, the organizations will be "taken more seriously as representatives of the broad base of the American Jewish population" by Israelis.

The combined office, dubbed by one observer as "an embassy of American Jewry," highlights growing cooperation among the arms of American Jewish fund-raising.

"This is certainly a significant step toward bringing us closer together," said Bernard Olshansky, assistant executive vice president of the CJF.

'For The Common Good'

"For the common good, it's better to put everything together," said Brian Lurie, president of the UJA.

Both Lurie and Tauber exemplify the closer relationship between the UJA, which coordinates the central fund-raising campaign for Israel, and the CJF, which represents the community federations which actually raise the money for both Israel and local Jewish agencies.

Not coincidentally, both of them have a foot in each camp: Tauber is treasurer of the CJF, and Lurie came to UJA last year from the federation world, having headed the San Francisco federation for 12 years.

Historically, there has been tension between the two organizations. UJA leaders focused on the needs of Israel, while CJF leaders, who rose from the ranks of local federations, were advocates for American Jewish needs.

"Today, you don't have any difference of opinion" between the two groups, said Irving Kessler, the retired executive vice president of the United Israel Appeal.

The UIA, the smallest of the three groups, is technically a parent company of the UJA. (The other parent of the UJA is the American Jewish Joint Distribution Committee, or JDC).

The UIA serves as middleman, distributing the money raised by UJA to the Jewish Agency, which these days spends most of its money on new olim. The UIA oversees and approves each line it funds in the Jewish Agency budget.

Director general of the new office will be Menachem Revivi, who was formerly with the JDC and the World Zionist Organization. The present director general of the CJF office, the Israeli

equivalent of executive director, Steven Donsnik, will continue to work in the office.

But Naphtali Lavi, who served as Israeli consul general in New York before heading the UJA Israel office, has been forced into retirement. Lavi himself would only say that "I did not feel suitable to serve in an organization with a different structure from the one I was assigned to direct in 1985."

UIA Role May Change

The UIA representative, Neale Katz, will maintain his position, and will "continue to function in those areas that are the unique responsibility of the UIA. In other areas, we will work cooperatively to represent the American Jewish community in Israel," said Herman Markowitz, executive vice chairman of the UIA.

As a result, UIA sources stress that what is at work is far less than a merger, as far as that organization is concerned. They note that UIA was asked to join the joint office after it had already been approved by UJA and CJF.

"Let's use the word consolidation," said the UJA's Lurie, rather than the word "merger," used in the press release eventually approved by the three organizations.

For the UIA, little will change on a day-to-day basis, said the organization's outgoing vice chairman, Edgar Cadden.

But the speed with which UIA officials deny that any "merger" is taking place hints at fears that the UJA and CJF may be interested in moving in on its task of supervising the Jewish Agency.

A Jewish organizational official familiar with the politics between the organizations but not directly involved, who spoke on condition of anonymity, said that one motivation for the combined office is "to counterbalance the Jewish Agency, to have another source of information."

The UIA has always seen its role as being that source.

By contrast, much of the activities of both the CJF and UJA Israel offices have traditionally involved planning missions to Israel for American fundraisers and providing services in Israel for the parent organizations. While existing staff members from both organizations will continue to represent their specific groups, they will now be able to work under central direction and avoid overlapping tasks.

New Office Will Help Represent American Jews

They will also be able to represent American Jewish concerns more effectively in Israel. In 1988, for example, the CJF coordinated the arrival of American Jewish leaders to protest deals reportedly being made by Israeli political leaders to change the law of return. The new office, those involved say, will enable more missions like that to take place in the future.

Just where this combined office will be located remains to be decided. Currently, the UJA and UIA have separate offices in the Jewish Agency building, about a mile down the road from Jerusalem's central intersection of King George and Jaffa roads.

The CJF offices are a few miles away, in the offices of the Joint, near Hebrew University, the Knesset and the Israel Museum. Also sharing that space are the offices of a number of local federations.

(JTA correspondent Michele Chabin in Jerusalem contributed to this report.)