

**75th ANNIVERSARY YEAR**
**TUESDAY, MAY 19, 1992**
**VOL. 70, NO. 96**

# **242 AND 338 ARE ONLY U.N. RESOLUTIONS THAT APPLY TO PEACE PROCESS, U.S. SAYS**

**By Howard Rosenberg**

WASHINGTON, May 18 (JTA) -- In a further attempt to defuse a political ruckus in Israel, the State Department has clarified that a 1948 United Nations resolution guaranteeing a Palestinian "right of return" is not an accepted basis for the current Middle East peace process.

Department spokeswoman Margaret Tutwiler said Monday that the only U.N. measures that have been accepted by all parties as terms of reference for the peace talks are Security Council Resolutions 242 and 338, which call for the return of land in exchange for peace.

While Tutwiler did not mention Resolution 194 by name, her statement was clearly intended to reassure Israel that the 1948 resolution on the Palestinian "right of return" has no official standing in the current round of peace talks.

That position appeared to backtrack from remarks Tutwiler made last week, in which she said the United States still supported the 1948 resolution.

Her remarks triggered an uproar in Israel, as politicians across the political spectrum denounced what they perceived to be a U.S. affirmation of the right of Palestinians to return to lands they fled after Israel gained statehood in 1948.

Despite subsequent clarifications and assurances offered by Secretary of State James Baker, Israeli government officials continued to speak out sharply this week against the American policy stance.

In Jerusalem, Foreign Minister David Levy said at Sunday's Cabinet meeting that anyone supporting a Palestinian right of return is torpedoing the peace process.

Police Minister Ronni Milo urged the government to submit a formal protest to Washington.

## **'A Terrible Mistake'**

Still smarting from the brouhaha, Tutwiler told reporters Monday that the State Department has decided not to answer additional questions about the Middle East peace process until after Israel's June 23 elections.

"Because this historic negotiating process is under way and particularly in the midst of a heated political campaign in Israel, henceforth I will not be responding to every comment or question on the peace process or on the Arab-Israeli conflict," she said.

Tutwiler said that the State Department imposed a similar restriction on statements during an earlier Israeli election campaign that took place while she was spokeswoman.

Jess Hordes, Washington representative of the Anti-Defamation League, said the State Department was now trying to "back off on the problems that they created for themselves" by supporting Resolution 194.

He called Tutwiler's remarks last week "a terrible mistake. It was inappropriate from a tactical point of view and it was inappropriate from a substantive point of view," he added.

Tutwiler's clarification Monday came as multilateral talks on Middle East environmental issues opened in Tokyo. Participating were 37

delegations, including Israeli and Palestinian representatives.

Syria and Lebanon boycotted the talks, as they did when four other sets of talks on Middle East regional issues took place last week in Washington, Brussels, Ottawa and Vienna.

Israel boycotted two of those sessions -- the talks on refugees, in Ottawa, and the talks on economic development, in Brussels -- because of the participation of Palestinians from outside the West Bank and Gaza Strip.

Israel fears the inclusion of such "diaspora Palestinians" implies that they have standing in the peace negotiations and could eventually bolster their case for a Palestinian "right of return."

As for the environmental talks, Tokyo is taking its role as host seriously. The Japanese government recently sponsored a fact-finding trip to the region and reported that there were "severe" pollution problems in the Gulf of Aqaba, which is bordered by Egypt, Israel, Jordan and Saudi Arabia.

Those countries do cooperate at present on a technical level to discuss the flow of pollutants and coral reef communities. The Israeli government has proposed the creation of environmental data collection centers in the region, with uniform standards to be determined by the parties.

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

# **JAPAN SAID TO MAKE PROPOSAL TO FACILITATE MIDEAST TRAVEL**

**By Yossi Lempkovic**

BRUSSELS, May 18 (JTA) -- Japan is reported to have made a concrete proposal that might improve the economies of Middle Eastern countries and advance peace in the region.

It was offered during a closed-door session of the multilateral conference on regional economic problems, held here last week under the European Community's chairmanship.

The Japanese idea is to ease travel between Israel and the Arab countries for people from outside the region. That would encourage tourism, which in turn would stimulate investment in tourist infrastructure such as hotels, transportation and communications networks.

Moreover, the Japanese said, it would help protect the environment at historical sites.

Japan was represented at the conference by senior officials of its mission to the E.C. and from the Foreign Ministry in Tokyo.

"Japan considers that it's important to start with something which creates the least problems," said Tomio Uchida, head of the Japanese delegation.

"As tourism is said to be a passport for peace, we propose that liberalization measures for the movement of foreign tourists in the region become a high priority in this working group," he said.

At present, tourists can travel freely between Israel and Egypt, which have a peace treaty, but not between Israel and any other Arab country. The Japanese plan apparently would remedy that before Israel concludes peace treaties with its other neighbors.

# **E.C. PANEL EARMARKS \$15 MILLION FOR PALESTINIANS IN TERRITORIES** By Yossi Lempkowicz

BRUSSELS, May 18 (JTA) -- The European Community's Executive Commission has authorized a \$15 million grant to improve economic and social conditions for Palestinians in the West Bank and Gaza Strip.

The grant was announced here last Friday, three days after the conclusion of a conference on Middle East economic development, chaired by the E.C. It was one of the five multilateral meetings on regional problems held in various capitals within the framework of the current Arab-Israeli peace talks.

Israel boycotted the Brussels meeting because Palestinians from outside the West Bank and Gaza Strip were present.

An E.C. commission spokesman said that the grant was earmarked for about 20 projects aimed at creating jobs and revenue in the industrial and agricultural sectors of the Israeli-administered territories, as well as for improving public services and local Palestinian institutions.

It will also finance health and educational services, especially high schools and professional training.

The E.C. has been supporting economic development in the territories since 1987. It left vague the issue of grants for Palestinian residents of East Jerusalem, which the E.C. still considers disputed territory.

# **IDF SAYS KILLING OF ISRAELI IN GAZA POINTS TO NEED FOR UNDERCOVER AGENTS** By Gil Sedan

JERUSALEM, May 18 (JTA) -- Israeli authorities say the murder this week of an Israeli livestock dealer in the Gaza Strip should end the controversy over the Israel Defense Force's use of undercover agents dressed as Arab civilians to counter terrorist activity.

Security forces were still combing the Gaza Strip on Monday for the killer of David Cohen, 64, of Moshav Te'ashur in the Negev, who was shot to death Sunday after delivering a truckload of calves to a slaughterhouse in Beit Lahia.

Residents of the town were confined to their homes.

Israeli troops reportedly rounded up between 50 and 100 possible suspects, but according to the authorities, no significant arrests were made. The Islamic fundamentalist Hamas movement took credit for the killing.

It said Cohen was murdered to avenge the arrest of their founder and spiritual leader, Sheikh Ahmed Yassin, three years ago. Yassin, who uses a wheelchair, was sentenced to life imprisonment in 1989 for plotting the murders of two Israeli soldiers.

In other security developments, a curfew was imposed on the southern Gaza Strip town of Rafah to pre-empt violence after a local Palestinian shot by the IDF last month died of his wounds Sunday.

Intifada activists met publicly in Gaza last Friday to order a reduction in the number of "executions" of Palestinians suspected of collaborating with the Israeli authorities.

They already exceed Palestinian fatalities from clashes with the IDF.

Eyewitnesses said as many as 150 masked men gathered on the town common, many carrying

rifles, pistols or knives. They agreed that "collaborators" should be punished, but only the most serious should be killed.

They reportedly also agreed that regardless of the current peace process, violent confrontations with the Israeli authorities in the territories would continue.

# **SOVIET SPY AND EGYPTIAN DETAINEES MAY BE RELEASED FROM ISRAELI JAILS** By Hugh Orgel

TEL AVIV, May 18 (JTA) -- A spy for the former Soviet Union and about 30 Egyptians jailed in Israel for various security offenses, including spying, may be released shortly, according to press reports here.

The Egyptian authorities are reported to have sought the release of their nationals at various times in the past. The issue was raised most recently during negotiations for the release of four Israelis arrested in Cairo in February on suspicion of spying.

The former Soviet spy, Shabtai Kalmanovitz, came to Israel in the 1980s and established himself as a successful businessman and society figure until he was arrested and sentenced in 1988 to nine years in prison for spying on Moscow's behalf.

The Israeli daily Ma'ariv said he would be freed shortly because of ill health. The vice president of Russia, Alexander Rutskoi, reportedly intervened on his behalf during his official visit to Israel last month.

He reportedly asked President Chaim Herzog to reduce Kalmanovitz's sentence to time served. Kalmanovitz's espionage was in the economic, financial and technological areas, not military.

If and when he is released, he could return to Russia with his wife and teen-age daughter or remain in Israel, Ma'ariv said.

Meanwhile, Israel was said to have agreed to consider the release of the 30 Egyptians but "not linked in time to the release of the Jewish and Arab Israelis from prison in Egypt." The Israelis -- David Ovitz and Israeli Arab Fares Mussarti, his son Majid and daughter Faya -- were freed and returned home on May 6.

It has been suggested that the four, who were never formally charged, were arrested to use as leverage for the release of the Egyptians serving time for espionage or other security offenses in Israel.

# **SAUDI SHEIK VISITS JERUSALEM** By Gil Sedan

JERUSALEM, May 18 (JTA) -- A top-ranking Islamic religious leader said to be close to the Saudi throne visited Jerusalem this week and met with President Chaim Herzog, Mayor Teddy Kollek and the Ashkenazic chief rabbi, Avraham Shapira.

The visitor was identified as Sheikh Ishak Idris Sakote, a senior adviser to the Islamic League, a fund-raising organization for Islamic institutions headquartered in Mecca, Saudi Arabia.

Some of the league's grants have gone to Islamic institutions in Israel and in the administered territories.

The sheik reportedly told Herzog he considered his visit a good omen and said he hoped it would contribute to the cause of peace.

The chief rabbi told the Islamic dignitary, "This meeting may still bring good to the people of Israel and the entire world."

## SCHWAMMBERGER GETS LIFE SENTENCE FOR KILLINGS MOTIVATED BY HATRED

By David Kantor

BONN, May 18 (JTA) -- The three judges who sentenced Josef Schwammberger to life imprisonment in a Stuttgart court Monday said he killed for both ideological and personal reasons.

The former SS officer was filled with hatred of Jews and others and derived satisfaction from torturing and killing his victims, the jurists said.

The Nazi war criminal, who was extradited from Argentina in 1990 to stand trial here, was found guilty of personally murdering seven Jews and complicity in the murders of 32 others when he was commandant of three forced-labor camps in Nazi-occupied Poland during World War II.

While the life sentence handed down would make Schwammberger eligible for parole in 13 to 15 years, at age 80 and in poor health he is not considered likely to leave prison alive.

The Anti-Defamation League commended the court "for pronouncing the maximum sentence."

In a statement released Monday in New York, Elliot Welles, director of the ADL Task Force on Nazi War Criminals, said, "We have waited a long time for justice in this case. He was one of the most cruel and vicious Nazis."

Outside the court, about 30 neo-Nazi activists demonstrated against the trial and what they called the "lies" about the Holocaust.

But another group of demonstrators demanded more trials for Nazi war criminals.

According to the German news media, Schwammberger's was the last such major proceeding. Lately, however, German state prosecutors have said that long-hidden documents found in the archives of former East Germany could help bring additional suspects to trial.

Schwammberger's trial lasted 11 months, during which he was confined to the maximum security prison of Stammheim.

The accused denied all charges against him, claiming no memory of what happened at the slave camps in his charge.

But there were no problems with the memories of the scores of witnesses who identified him at the trial as a torturer and a killer.

## DEADLINE SET IN CANADA FOR NAZI INVESTIGATIONS

By Gil Kezwer

TORONTO, May 18 (JTA) -- Canadian Justice Minister Kim Campbell has informed Parliament that a 22-month deadline has been set to complete current investigations of alleged Nazi war criminals living in Canada.

Campbell made the disclosure to the House of Commons Justice Committee last week when pressed about the government's inaction on pending war crimes cases.

She said a March 1994 deadline was "the target date we have set for ourselves" to complete as many investigations as possible.

Her remark immediately drew a warning from Paul Marcus, director of B'nai Brith Canada's Institute for International Affairs, that "there must be no time limits on justice."

Campbell declined to specify the number of current cases. She said the investigative unit has been given more resources and stressed that there is "a strong commitment within our department to get those investigations completed by that date."

The justice minister differed with House

Justice Committee Chairman Robert Kaplan of the opposition Liberal Party, who asked why the government has not taken action in any of the 45 high-priority cases cited in 1989 by Bill Hobson, then head of the Justice Department's war crimes unit.

According to Campbell, Hobson erred if he said 45 cases were under investigation and that charges soon would be brought against alleged war criminals in Canada.

"I can't believe he said that because that could not be true," she told reporters later.

But she rejected suggestions that rooting out alleged war criminals from the havens they found in Canada is no longer a priority of Prime Minister Brian Mulroney's government.

Marcus, meanwhile, said that "creating a March 1994 target date will hopefully provide incentive to accelerate the process. However, alleged Nazi war criminals living in Canada must face justice regardless of when evidence of their crimes is uncovered."

Canada's record has not been encouraging. It has successfully pursued only one case to date. In 1983, when Kaplan was solicitor general, Albert Helmut Rauca of Toronto was extradited to West Germany to stand trial for the killing of 11,585 Jews in the ghetto of Kaunas (Kovno), Lithuania.

But since the Canadian Criminal Code was amended in 1987 to permit Canadian courts to try suspected war criminals, only three cases have come to trial. Charges were dropped in two of them and the third suspect was acquitted.

## HUNGARIAN JEWS CRITICAL OF LAW LIMITING FUNDS TO NAZI VICTIMS

By Agnes Bohm

BUDAPEST, May 18 (JTA) -- The Jewish leadership here is critical of the Compensation Law adopted by the Hungarian Parliament last week because its application to Jews is limited.

Leslie Keller, head of the Hungarian office of the World Jewish Congress, told the Jewish Telegraphic Agency that the law will be on the agenda of a conference to be held in Budapest this year where the entire issue of compensation to Central European Jewry will be discussed.

The WJC is organizing the conference and will announce its date shortly, Keller said.

The latest Compensation Law, the third to be adopted by Parliament, applies to "people deported on racial, religious or political grounds during the Second World War and also to resident Hungarian citizens who were oppressed outside the country."

The law covers the 50 years from March 11, 1939 to Oct. 23, 1989.

According to its provisions, the new Hungarian regime will pay compensation for Jews who were deported from Hungary but not those thrown into the Danube and drowned or killed in local ghettos and concentration camps.

At least 600,000 Hungarian Jews perished in the Holocaust and many of them were killed inside Hungary by the Nazis.

The first anti-Jewish laws in Hungary date from May 28, 1938. The second were passed in 1939. The purpose of both was to eliminate Jews from the commercial and social life of the country. But the new law ignores the 1938 decree.

Rabbi Tamas Raj, a member of Parliament for the opposition liberal Free Democrat Party, was critical of the law in its draft stages. He proposed several changes but few were accepted.

## GREEK LEADER ARRIVES IN ISRAEL, SOLIDIFYING NEW WARM RELATIONS

By Gil Sedan

JERUSALEM, May 18 (JTA) -- Israel and Greece solidified their recently improved relations on the arrival here Monday of Constantine Mitsotakis, the first prime minister of Greece to pay an official visit to the Jewish state.

He was welcomed at the Rose Garden by Prime Minister Yitzhak Shamir, who expressed appreciation for the change of Greek policy with respect to Israel and the Middle East.

"Now we must work together to ensure that these relations will flourish," Shamir said.

The Greek leader, responding in French, observed that the two peoples have always enjoyed cordial relations and expressed confidence that his visit would promote peace in the region.

Mitsotakis was responsible for upgrading Greece's relations with Israel to full diplomatic status. He extended de jure recognition to Jerusalem in April 1990, a month after taking office.

Prior to that, the atmosphere in Athens had been chilly toward Israel, especially during the Socialist regime of Prime Minister Andreas Papandreu from 1981 to 1989. Relations were maintained only at the consular level.

On the other hand, Greece had close ties with the Arab world, and its actions and policies openly favored the Palestinian cause.

Apart from the change of government in Athens, global events of recent years have brought Israel and Greece closer.

Both feel threatened by the advance of Islamic fundamentalism as Turkey, a traditional adversary of Greece, and Iran, an avowed enemy of Israel, vie for influence in the newly independent Moslem republics of the former Soviet Union.

Greece had not always perceived the danger of Islamic fundamentalism. Greek leaders credit the Israeli ambassador in Athens, David Sasson, with awakening them.

Greece, a member of the European Community, is now pursuing a policy of cooperation with Israel in many spheres, including the economic, military, international policy, agriculture and tourism.

Another diplomatic event in Jerusalem was the visit of the foreign minister of Angola, Pedro de Castro dos Santos van Dunam, to finalize the establishment of full diplomatic relations and sign an economic agreement.

Israeli Foreign Minister David Levy was in Luanda, the Angolan capital, last month to negotiate the renewed diplomatic ties.

## EXHIBIT SHOWS CZECH AID TO FLEDGLING JEWISH STATE

By Josef Klansky

PRAGUE, May 18 (JTA) -- Czechoslovakia's ties with Israel were acknowledged and strengthened by two events here last week.

An exhibition on the history of Jews in Czechoslovakia was opened May 11 under the patronage of President Vaclav Havel.

On May 12, two memorial tablets donated by the Association of Veterans of the Haganah were unveiled at the Military Museum of the Czechoslovak Army. One honors the memory of Jews who fought in the Czech armed forces and with partisan groups during the Nazi occupation.

The other expresses appreciation to the Czechoslovak republic for its support during

Israel's War of Independence in 1948 by training Israeli pilots and paratroopers and delivering arms and military equipment.

Czechoslovak citizens are seeing for the first time the aid their country gave to the fledgling Jewish state.

The tablets were unveiled by Deputy Defense Minister Antonin Rasek and Gen. Karel Pezl, chief of the General Staff. Rasek observed that at certain stages of World War II, the majority of soldiers in the Czechoslovak army were Jews.

Israel's ambassador, Yoel Sher, and a retired Israeli air force commander, Gen. Mordechai Hod, attended.

Sher also participated with Deputy Minister of Culture Milan Uhde in the opening of the cultural exhibition titled "Where Cultures Meet." It was prepared by the Beth Hatefutsot Museum of the Diaspora, in Tel Aviv, in cooperation with the Jewish Museum in Prague.

The exhibition was originally opened in Tel Aviv in April 1990 by President Havel, who was visiting Israel. It was brought to Czechoslovakia by the Ronald S. Lauder Foundation of New York.

Lauder, former U.S. ambassador to Austria, stressed at the ceremonial opening the educational value of the event for the younger generations in post-communist Czechoslovakia, where there is very little knowledge of the spiritual achievements of Jewry.

## GOLD MINE FOUND NEAR EILAT, BUT A GOLD RUSH IS UNLIKELY

By Hugh Orgel

TEL AVIV, May 18 (JTA) -- A 1,000-year-old gold mine has been discovered just north of Eilat, but it is not likely to set off a gold rush to the Negev, archaeologists who found it say.

The mine has been dated between 800 and 1000 C.E., the period when Palestine was ruled by the Islamic Umayyad dynasty. But the mine was played out by the end of the first millennium and shut down.

The discovery, however, has important historic value, according to Efrat Auerbach, spokeswoman for the joint dig by the Antiquities Authority and the Israeli Geological Institute.

It disproves the widely held belief that gold was always imported to the area, Auerbach said. Nevertheless, it is the first and only gold mine discovered in Israel, so the local supply could not have been particularly large.

The gold mine is not far from the worked-out Timna copper mines, said to date back to the times of Solomon.

## HOUSING SENDS COSTS THROUGH ROOF

TEL AVIV, May 18 (JTA) -- Escalating housing costs sent Israel's cost-of-living index spiraling upward by 1.8 percent in April, according to figures released last Friday by the Central Bureau of Statistics.

The increase was higher than expected and at least half of it was due to the rising price of housing, economists said. But many housing units are unoccupied, possibly because they are too expensive or in areas where jobs are in short supply.

The future inflation outlook was gloomy following a public sector wage pact reached Friday between Histadrut and the Finance Ministry.

It calls for a 4 percent pay increment over nine months for more than a half million state employees.