

VOL. 71 - 76th YEAR

TUESDAY, APRIL 6, 1993

NO. 65

**RABIN AND MUBARAK PLAN TO MEET
BEFORE RESUMPTION OF PEACE TALKS**
By Gil Sedan

JERUSALEM, April 5 (JTA) -- Israeli Prime Minister Yitzhak Rabin and Egyptian President Hosni Mubarak have agreed to hold a summit meeting before the next round of Middle East peace talks, slated for April 20 in Washington.

Mohammed Basyouni, Egypt's ambassador to Israel, announced Monday that general agreement had been reached on the summit, which he said would take place in Cairo or in Sinai. He said a date had not yet been set.

The purpose of the meeting is reportedly to resolve the present difficulties over resuming the peace talks, in particular Palestinian objections relating mostly to the fate of some 400 Palestinians deported by Israel to Lebanon.

Mubarak, who was in Washington this week for meetings Tuesday with President Clinton and other top administration officials, was also expected to raise Palestinian concerns about whether Israel is ready to grant them a significant form of self-rule in the administered territories.

Basyouni said Mubarak would be speaking on behalf of "all Arab countries" concerning the peace process.

**CLOSURE OF TERRITORIES LEAVES
ISRAEL STRUGGLING TO FILL JOBS**
By Gil Sedan

JERUSALEM, April 5 (JTA) -- "Talk to me a year from now, and we shall reach a situation in which most job vacancies (formerly held by Palestinians) will be filled by Israeli workers," Danny Gillerman, director-general of Israel's Chambers of Commerce, told a reporter this week.

Gillerman spoke as the Israeli economy tried to adjust to a ban declared by Prime Minister Yitzhak Rabin on allowing Palestinian workers from the administered territories to enter Israel proper.

The closure of the territories, announced last week in an effort to end a wave of Palestinian attacks on Israelis, is expected to last at least until the end of the Passover holiday next week.

But many Israelis, such as Gillerman, said the government should severely limit the number of Palestinians working in Israel proper even after the closure is lifted and that such a policy would help curb high unemployment rates among Israelis.

Even as the economy and government struggled to cope with the loss of the roughly 120,000 Palestinians who typically make their way daily into Israel for jobs, a ministerial committee, headed by Labor and Welfare Minister Ora Namir, was established to set future limits on Palestinian laborers crossing the "Green Line" into Israel proper.

At Sunday's weekly Cabinet session, the government also decided to limit the number of roads leading from the West Bank to Israel proper, in an effort to have better control of those coming to Israel, and to ban the entry of private Palestinian cars to Israel.

Political observers noted with irony that the

government, which had tried for the last two decades to erase the so-called "Green Line," now appeared to be moving in the opposite direction of maintaining a firm separation between the territories and Israel.

The moves were being seen by some as glaring evidence of the country's failure over the past 26 years to integrate the territories and their inhabitants into the Israeli sphere.

The closure consequently is being seen by some as carrying a political significance -- intended or not -- in the context of negotiations over the territories' future.

Replacement Workers Recruited

Meanwhile, the government and Jewish agencies mounted a national effort to solve the immediate crisis of the labor shortage caused by the closure.

Employment Service officials estimated that 65 percent of the Palestinian workers were employed in construction, 10 percent in industry, 9 percent in municipal and other services, and 3.7 percent in agriculture.

The Jewish Agency for Israel and the World Zionist Organization have so far recruited 200 replacement workers following what were termed "urgent consultations" at the end of last week.

The recruiting drive is being conducted in cooperation with the Agriculture Ministry and the national Employment Service.

Three thousand more volunteers are slated to start farm work over the course of the month as part of the Jewish Agency-WZO effort.

The workers are being recruited from among high school juniors and seniors in Jewish Agency Youth Aliyah boarding schools and youth villages, new immigrants, and teen-agers from abroad who are here on various youth programs.

"One of the main values in Israeli history is the importance of Jewish labor," said WZO spokesman Yehuda Weinraub, "and WZO has always stressed this as part of its philosophy."

The workers will receive 70 shekels or about \$25 a day from the Israeli government.

In New York, Volunteers for Israel has also mounted a campaign to bring Jews to Israel to replace Arab workers in critical agricultural and industrial sectors.

The efforts by the WZO and Volunteers for Israel came on the heels of an army decision to send 1,500 soldiers, also in coordination with the Agricultural Ministry, to help farmers throughout the country.

Building Industry Hit Hard

An Israel Defense Forces spokesman Sunday took pains to explain that the deployment would not harm the defensive capability of the military and that such national service was a military tradition.

But in what might be indicative of deeper problems surrounding the labor issue, the army was forced to allow a limited number of Palestinians from the territories -- 1,200 -- to enter Israel under special permits Sunday to work in the fields.

The plain truth is that despite the large numbers of unemployed Israelis, Jews just are not willing to do the type of manual jobs for low pay

that Palestinians routinely fill in the Israeli economy.

In addition, most Arab workers from the territories earn less than the legally mandated minimum wage and do not receive such benefits as paid vacation and disability insurance.

Finance Minister Avraham Shohat, speaking to the Cabinet, said it is "scandalous" that although 150,000 Israelis are registered as unemployed, it is impossible to recruit even 1,000 workers to replace Arab agricultural workers in the Sharon Plain.

Shohat said another means of encouraging Jews to take menial jobs is to limit the payments of unemployment checks.

The minister proposed that unemployed people under the age of 35 be required to take any job offered to them, or presumably face a cutoff in unemployment allowances.

While millions of dollars worth of agricultural produce ready for harvest hangs in the balance because of the closure, the hardest hit sector of the economy is the construction industry, which is heavily dependent on Arab labor.

Building contractors Sunday held job fairs throughout the country to attract would-be Jewish laborers. The turnout, at least in Jerusalem, was lower than had been expected.

Housing Minister Binyamin Ben-Eliezer said he reached an agreement with the building contractors association to train 10,000 new workers a year for the next three years.

NEWS ANALYSIS:

**NEW FRENCH CABINET KNOWS ISRAEL,
BUT MAY NOT BE ANY MORE SUPPORTIVE**
By Michel Di Paz

PARIS, April 5 (JTA) -- At least six of the 29 members of the new French Cabinet have firsthand experience of what it means to be caught in a Scud missile attack -- they were in Israel during the Persian Gulf War.

The six ministers, at that time members of the center-right political opposition, had joined a mission of solidarity with Israel, invited by Jean Kahn, head of CRIF, the umbrella organization representing French Jewry.

The six have become ministers in France's new government formed after last week's general parliamentary elections, in which a coalition of two conservative parties won a landslide victory against the Socialist Party.

"I don't think they will ever need to be explained what the words 'a secure Israel' involve," Kahn told the Jewish Telegraphic Agency.

During the trip to Israel, the six politicians were forced to spend part of a night in an air-tight shelter when Iraq launched a Scud attack against Israel. The group was wearing gas masks, since it was feared that the missiles were carrying chemical warheads.

The group included Francois Leotard, who now holds the important defense portfolio.

The new prime minister, Edouard Balladur, is also familiar with Israel. Balladur, a close associate of Jacques Chirac, head of the Gaullist Rally for the Republic, has visited Israel twice. Balladur's appointment was warmly greeted by Israeli Prime Minister Yitzhak Rabin, whose dislike of Europe in general and France in particular is common knowledge.

But Rabin went out of his way to write a long letter of congratulation to Balladur, expressing his hopes that the two will meet in the "near

future for an exchange of views of the greatest interest for me."

"We always regarded France as being friendly and supportive, in spite of occasional differences. Given France's position on the international scene, we attach a considerable importance to this friendship," Rabin wrote.

Foreign Minister's Leanings Unclear

As for the new foreign minister, Alain Juppe has replaced the openly pro-Arab Roland Dumas, who was defeated in his constituency and thus is not even a member of the new Parliament.

Juppe was the secretary-general of the Gaullist Rally, a very sensitive political position.

Juppe's views regarding the Middle East are unclear, as he has not had to make statements concerning that issue until now.

Given all the different faces, one might be tempted to regard the new French Cabinet as more pro-Israel than the former one, but political observers said they doubted if any significant changes will occur.

These people say France's attitude toward the Middle East, set essentially in 1967 by then President Charles de Gaulle, will not undergo a meaningful change because of three chief reasons.

First, the French constitution states that the president, in this case Francois Mitterrand, has primary responsibility for foreign policy and can essentially override the Cabinet.

Mitterrand is unlikely to change his own views about the Middle East just because his Socialist friends were evicted from the government.

If Juppe desires to change policy, he will have to confront Mitterrand directly, which would be politically unwise.

A Patron Of Moslem Peoples

Secondly, the entrenched attitudes in the Foreign Affairs Ministry are difficult to change.

The Near East division is traditionally anti-Zionist, and has been such since the turn of the century.

And in addition, ambassadors and other high-ranking diplomats are difficult, or impossible, to influence.

Finally, France has traditionally regarded itself as a patron of Moslem peoples and countries ever since the 16th century.

The French government symbolized this fact when it built a huge mosque in the heart of Paris in the late 1920s.

Although France surrendered its last Moslem colony in 1962, the number of Moslems living in France is constantly on the rise. According to various surveys, Islam is the second most popular religion in France, representing slightly less than 10 percent of its 55 million population.

By contrast, Jews represent about 1 percent of the population.

Most French Moslems are North African Arabs, from countries once under French rule. French leaders feel they must keep in mind their Moslem neighbors on the other side of the Mediterranean sea, whose combined population is projected to reach 100 million at the start of the next century.

Although no one expects that relations between France and Israel will ever be as they were before the 1967 Six-Day War -- when de Gaulle greeted the late Israeli Prime Minister David Ben-Gurion with "Israel, our friend, our ally" -- there is indeed room for improvement.

HOLOCAUST MUSEUM CHIEF ASKED BY THE WHITE HOUSE TO STEP DOWN

By Deborah Kalb

States News Service

WASHINGTON, April 5 (JTA) -- Just weeks before the scheduled opening of the U.S. Holocaust Memorial Museum, the White House has asked the chairman and vice chairman of the museum's council to leave their posts.

Both the chairman of the U.S. Holocaust Memorial Council, Baltimore builder Harvey Meyerhoff, and the vice chairman, San Francisco businessman William Lowenberg, have been asked to remain until April 30.

The museum's dedication ceremonies are scheduled for April 22, and it will open to the public on April 26.

The council serves as a development arm of the museum, which was constructed with over \$150 million in private funds. Though built with private funds, however, the museum stands on donated public land and is in the process of being turned over to the U.S. government.

Meyerhoff has been devoted to the museum. Sources said he had donated approximately \$6 million toward its construction.

"Mr. Lowenberg and I fully understand and respect the president's desire to appoint new council leadership," Meyerhoff said in a statement Sunday. "We will continue to work with the White House and the new leadership to ensure a smooth transition and successful start-up of museum operations."

Meyerhoff said he and Lowenberg were asked to remain on the council after they step down from their posts.

Appointed By Republicans

Both Meyerhoff and Lowenberg, like the other 50-plus members of the council, were presidential appointees of previous Republican administrations. Many of them expected to be replaced by the Clinton administration.

But the idea of dismissing the two officials just weeks before the museum's opening struck some as strange timing.

Rep. Sidney Yates (D-Ill.), who is on the Holocaust council and also serves as chairman of the subcommittee that appropriates money for the museum, said he had heard there was pressure to replace Meyerhoff as council chairman.

"I'm told there is" pressure, Yates said Monday. But he said he did not know the source of the pressure.

"I anticipated he'd be replaced," Yates said of Meyerhoff, "but I didn't think it would happen so soon. There was no need for this kind of immediate replacement."

Sources said that the White House also called off, or, at least, put on hold, a search for a new director for the museum.

The council had set up a search committee and hired an executive search firm to look for a replacement for the current director, Jeshajahu Weinberg, who came out of retirement to serve as director and is not expected to stay much longer in his post.

"Regardless of what the White House says, the search should continue," said Yates, who is on the search committee.

Yates said the committee has been searching for "months," and that one of the latest candidates under consideration for the director's post was Washington-based scholar Walter Reich.

BOTH SIDES SUBMIT ARGUMENTS IN DEMJANJUK INVESTIGATION

By Aaron London

American Israeliite

CINCINNATI, April 5 (JTA) -- Lawyers for convicted Nazi war criminal John Demjanjuk told the U.S. Court of Appeals here that the U.S. government's conduct in the case against their client "included repeated misrepresentations" that were "probably intentional."

The charges were contained in a 167-page document submitted to the court last week as part of the investigation into alleged misconduct by the U.S. Department of Justice in its effort to have Demjanjuk deported.

Demjanjuk was extradited to Israel in 1986, where he was sentenced to death for crimes committed as "Ivan the Terrible," the notorious Treblinka death camp guard.

The 72-year-old former Cleveland auto worker is awaiting a decision on his appeal of the sentence.

The 6th U.S. Circuit Court of Appeals decided last June to reopen the case and appointed a special master, U.S. District Judge Thomas Wiseman Jr. of Nashville, to look into allegations that the U.S. government had withheld exculpatory evidence regarding Demjanjuk.

The Justice Department also submitted a filing to the court last week. Both sides were asked to review the findings of Wiseman's investigation and submit their own conclusions.

U.S. Says Fraud Not Established

Demjanjuk "has fallen far short" of "showing that the government conceived and executed the kind of 'deliberate and unconscionable' scheme necessary to establish fraud on the court," the government wrote.

A key point in Demjanjuk's brief is the contention that a deposition made by former SS guard Otto Horn regarding his identification of a photograph as Demjanjuk was "inconsistent in significant respects."

Government attorneys argued that identification of Demjanjuk was based on evidence from Horn and corroborated by villagers and survivors of the camp at Treblinka.

Also central to Demjanjuk's defense was the claim that George Parker resigned from his position as an attorney in the Justice Department's Office of Special Investigations because he believed that continued prosecution of Demjanjuk would be "ethically unacceptable," in light of evidence casting doubt as to whether Demjanjuk was indeed "Ivan the Terrible."

Demjanjuk has claimed repeatedly that his is a case of mistaken identity, and that new evidence retrieved from the former Soviet Union proves that another man was in fact "Ivan."

His lawyers have charged that the government deliberately withheld this evidence, but the Justice Department said in its brief that any failure to disclose evidence was "unintentional."

According to Debra Nagle, a spokeswoman for the court, the briefs will be reviewed by Wiseman and he will submit his findings to the Court of Appeals. The court will then have the option of ruling on the findings, asking for more information or holding new hearings.

While no formal timetable has been set, Nagle said she expects Wiseman to file his report by the end of April. A decision by the appeals court is expected as early as mid-May.

**FOREIGN AID OUTLOOK:
PROPOSALS TO REFORM AID PROGRAM
COULD MEAN FUTURE CUTS FOR ISRAEL**

[Part 2 of a Series]

By Deborah Kalb
States News Service

WASHINGTON, April 5 (JTA) -- Despite the Clinton administration's commitment to maintain aid to Israel for at least another year at its current annual level of \$3 billion, many observers here are predicting a coming sea-change in U.S. foreign aid practices.

And these changes could affect Israel, the largest recipient of American aid.

There is growing talk on Capitol Hill of overhauling the entire U.S. foreign aid system now that the Cold War is over.

The Clinton administration is clearly concerned about progress in the Middle East peace talks and is well aware of Israel's security concerns, especially if Israel makes territorial compromises to secure peace.

But in an America concerned with its own economic problems, no one seems certain what the future holds for Israel's aid package.

"The aid level can be maintained for maybe another two or three years, but the handwriting is clearly on the wall," said Stuart Eizenstat, a adviser in the Carter White House who recently contributed to a report on the U.S.-Israel relationship prepared by the Washington Institute for Near East Policy.

While this year's foreign aid bill seems likely to pass with the aid to Israel intact, the future of foreign aid bills, and the shape of U.S. foreign aid in general, is not as certain.

Among the critics of the current system are some powerful members of Congress involved in approving foreign aid legislation, including Sen. Patrick Leahy (D-Vt.).

Leahy, who chairs the Senate Appropriations subcommittee on foreign operations, has been calling for several years for "fundamental reform" in U.S. foreign aid.

"A consensus has emerged, including the new administration," that "our foreign aid program needs top to bottom reform," Leahy said at a subcommittee hearing last month.

"A program designed in the Cold War is simply not capable of taking on the global challenges that have replaced communism as the gravest threat to our security," he said.

Israel Seen As A 'Separate Issue'

While some in the pro-Israel community are nervous that such an overhaul would adversely affect Israel, others noted Leahy has said Israel is not going to suffer under a changed policy.

In a Washington Times interview this winter, Leahy said that Israel "will fare well" in future aid legislation.

A congressional source said that while other foreign aid programs will be re-examined in any aid overhaul, "people see Israel and Egypt as a separate issue, as part of U.S. diplomacy," and thus it is unlikely that "anything bad" will happen to Israel's and Egypt's aid packages.

Egypt, the second-largest recipient of American aid, receives \$2.1 billion annually.

Another powerful congressman, Rep. David Obey (D-Wis.), has also questioned current aid practices. Obey chairs the House Appropriations subcommittee on foreign operations.

Among other things, Obey has criticized the

current system whereby aid recipients agree ahead of time to purchase expensive military equipment, thereby locking the U.S. into maintaining high levels of aid to these countries, so that they can pay for the equipment.

But one congressional observer said that most plans to revamp aid would probably not have a major effect on foreign assistance to Israel.

The observer said that most of the changes being contemplated will be made in reorganizations of the Agency for International Development and various State Department functions.

And others point out that not every plan for revamping foreign aid calls for cutting it.

The Congressional Black Caucus, generally not among foreign aid's greatest supporters, has called for increasing overall foreign aid levels, in part to give greater assistance to African nations.

One aide on the Hill said some pro-Israel members welcome this idea, because it would lessen the image of Israel receiving such a huge piece of the foreign aid pie.

Aid to Israel, this aide said, is really only a "drop in the bucket" when one considers the entire U.S. budget picture. But because the level of the foreign aid program is so low, the aide said, "Israel and Egypt stand out like a sore thumb."

A Need To Reduce Israel's Dependence?

In addition to calls for overall reform, some on the Hill and elsewhere have suggested specific changes in foreign aid practices.

Some argue that aid does not always have to come in the form of traditional outlays of money. Instead, the United States could supplement traditional aid by helping a country with programs that would enhance the aid recipient's economy.

In Israel's case, the United States has entered into an agreement that provides Israel with \$10 billion in loan guarantees over a five-year period to help resettle immigrants from the former Soviet Union and Ethiopia.

In addition, the United States and Israel recently agreed to establish a joint science and technology commission to enhance cooperation and create technology-based jobs in both countries.

But pro-Israel activists point out that such gestures of friendship have been going on for years and could never replace the \$1.8 billion in military aid and \$1.2 billion in economic aid that Israel currently receives.

Yet all the talk among Israel's supporters here of maintaining aid to Israel at its current level leaves out one factor: that even in Israel, there is a growing current urging that Israel wean itself away from such dependence on the United States.

In a recent interview in the Forward, the former Israeli ambassador to Washington, Zalman Shoval, called for a lessening in U.S. aid.

And a recent study by the Washington Institute for Near East Policy, while opposing an immediate cutback in aid levels, called for the United States and Israel to work together to lessen Israel's need for such large amounts of aid.

New York Times columnist A.M. Rosenthal, who is staunchly pro-Israel, said in a recent column that an aid cut "could be one of the best gifts Israel could give itself and the U.S., and the sooner the better."

REMINDER: The JTA Daily News Bulletin will not be published Wednesday, April 7, or Thursday, April 8.