

VOL. 71 - 76th YEAR

FRIDAY, AUGUST 27, 1993

NO. 162

**NEW SIGNS EMERGE THAT AGREEMENT
WITH THE PALESTINIANS MAY BE NEAR**

By Gil Sedan

JERUSALEM, Aug. 26 (JTA) -- New signs have emerged that Israel and the Palestinians are close to a preliminary agreement on autonomy in the administered territories.

At the same time, Syrian President Hafez Assad has reportedly told members of his ruling Ba'ath Party that he is ready to reach a peace agreement with Israel.

These developments have raised expectations that the 11th round of bilateral peace talks, scheduled to begin in Washington next Monday or Tuesday, may achieve the kind of significant progress that all sides have long been hoping for.

For several days, Palestinian officials have been saying that they were close to an agreement with Israel on some of the issues that have divided the two sides for months.

The reports were given credence when Israeli Foreign Minister Shimon Peres was quoted in Helsinki early this week as saying that an agreement with the Palestinians was imminent.

On Wednesday, Peres reaffirmed that assessment, telling Israel Television that both parties were close to a "breakthrough."

Peres said during the television interview that there would be three parts to an agreement with the Palestinians.

First, there would be a declaration of principles that would postpone discussion of controversial issues such as the status of Jerusalem and would instead stress existing agreements.

Second, there would be immediate implementation of a plan for Palestinian self-rule, particularly in the Gaza Strip, but also possibly in the West Bank town of Jericho. Israeli officials stress that by self-rule, they mean limited self-government, not the creation of an independent Palestinian state.

Third, the agreement would include providing economic aid to the territories, which have been hard hit since the army sealed them off from Israel proper in late March, following a spate of terrorist attacks.

Direct Contacts With PLO?

It is not clear how this reported agreement was hammered out. But all signs indicate that Israeli officials and Palestinian representatives have been in contact in recent days.

In Washington, the State Department said Thursday that "the parties themselves are clearly engaged" in discussions of substance.

News agency reports from Jordan on Thursday quoted a senior Palestine Liberation Organization official as saying the agreement had been worked out between high-level Israeli and Palestinian negotiators.

There have been numerous reports in recent days of clandestine meetings between officials of the Israeli government and the PLO.

The Israeli daily Yediot Achronot reported earlier in the week that Peres himself had met with a high-level PLO official in Stockholm last week.

While Peres denied the report, he has stated publicly that he believes that stronger personal

ties between Israeli and PLO policy-makers could hasten the reaching of an interim agreement with the Palestinians.

The optimism about the talks with the Palestinians comes amid reports of a crisis at the highest echelons of the PLO.

Two top officials of the PLO executive committee have recently resigned their posts, and there have been numerous calls from the organization's leadership for Yasir Arafat to resign as chairman or share his decision-making powers.

The PLO executive committee was meeting Thursday in Tunis in an effort to resolve the crisis.

In Syria meanwhile, President Assad has been telling party officials that a peace agreement with Israel is near, according to a report in the respected Israeli daily Ha'aretz.

One Israeli official described the report as yet another indication of "the slow but steady process of educating the Syrian leadership that a settlement with Israel is possible."

In its report Thursday, Ha'aretz quoted political sources in Jerusalem as saying that so far Assad has failed to define the peace in comprehensive terms, seeing it rather in terms of a state of non-belligerency.

Other observers, however, feel that Assad may have recently come to believe that a real peace agreement with Israel, rather than just a security arrangement, is necessary.

In the wake of these developments, all sides are talking about the possibility of achieving meaningful progress in the round of bilateral peace talks slated to begin next week in Washington.

"We do think that there is an opportunity now for some constructive discussion focusing in on the key issues that will help move this forward," State Department spokesman Mike McCurry told reporters in Washington on Thursday.

"I am not suggesting that there will be any major breakthroughs in this next round," McCurry was careful to say.

But, he added, "we think that things are now set for there to be some significant progress."

**ISRAELI PLANES HIT HEZBOLLAH BASE
IN RETALIATION FOR NINE IDF DEATHS**

By Hugh Orgel

TEL AVIV, Aug. 26 (JTA) -- Israeli airplanes fired on an underground base of the Hezbollah movement Thursday, in retaliation for attacks by the Iranian-backed guerrillas that killed nine Israeli soldiers last week.

The Israeli air attack on the base in southern Lebanon followed two days of Hezbollah attacks on units of the Israel Defense Force and its allied South Lebanon Army.

The Hezbollah assaults, which caused no Israeli or SLA casualties, were answered by artillery fire from Israeli positions.

The incidents appeared to signal that Hezbollah is intent on continuing its efforts to drive Israeli forces from Lebanese soil.

In the Israeli air assault Thursday, a plane dropped eight missiles on a mountainside near Lebanese villages. Hezbollah guerrillas later con-

firmed that a series of caves and tunnels used by the extremists had been destroyed.

There were no reports of casualties.

As was the case in a retaliatory air assault a week earlier, Israeli officials said the latest attack had avoided civilian targets.

Israel clearly wanted to refrain from an escalation that could lead to a renewal of Katyusha rocket attacks against Israeli population centers in Galilee.

Hezbollah has warned in the past that if Israel hit civilian villages north of the security zone, "there would be no security for Israeli settlements" in Galilee.

In a separate incident Thursday, Syrian gunners on the Golan Heights fired at an Israeli civilian crop-dusting plane which had flown in error over Syrian territory.

The light, low-flying plane was not hit and returned safely to its base.

HAMAS MEMBER CHARGED IN ATTEMPT TO KIDNAP AN ISRAELI KNESSET MEMBER By Gil Sedan

JERUSALEM, Aug. 26 (JTA) -- Israeli military officials have charged a senior member of the Islamic fundamentalist Hamas movement in connection with an alleged conspiracy to kidnap a Knesset member.

According to an indictment filed Wednesday against one of the conspirators, a Hamas terrorist unit planned to kidnap a Knesset member and hold him hostage until Israel released Hamas founder Sheik Ahmed Yassin.

Yassin was arrested in April 1989 and is serving a life sentence for his involvement in the kidnapping and murder of two Israeli soldiers several years ago.

The charge sheet against Ibrahim Taher Nawahadf did not identify any Knesset member, nor did it say whether a specific person had been targeted for abduction.

The military prosecution filed the indictment against Nawahadf in the West Bank village of Yamoun, in the Samaria region. Nawahadf, who is deputy commander of Hamas in the region, was also charged with a series of terrorist attacks.

Nawahadf allegedly became involved with Hamas in October 1990, when Muslim worshippers were shot by border police on the Temple Mount.

He subsequently became second in command to Zaher Jabarin, the leader of Hamas in the Samaria region.

Nawahadf was allegedly in charge of the unit that killed a border policeman, Nissim Toledano, as well as two other policemen. Those killings led to the deportation to Lebanon last December of 415 Hamas activists and other fundamentalists.

DINITZ IS CONFIDENT HE'LL STAY ON, BUT TALK ABOUT SUCCESSOR ABOUNDS JTA Staff Report

JERUSALEM, Aug. 26 (JTA) -- In public at least, Simcha Dinitz is continuing to exude an air of confidence that he will be able to hold onto his job as chairman of the Jewish Agency for Israel, despite an apparent recommendation by the police that he be indicted for misuse of funds.

But within the Labor Party, there is already speculation on who should succeed him.

The police still have not publicized their findings, but it has been widely reported here that they recommended Dinitz be indicted for

embezzling as much as \$70,000 worth of Jewish Agency money through the misuse of his official credit card.

The file now rests with Attorney General Yosef Harish. His office has estimated that it will take weeks to examine the evidence before deciding on an indictment.

Harish has been accused in the past of pursuing politically charged investigations with less than deliberate speed, particularly that of Interior Minister Aryeh Deri, which has dragged on for years.

The connection between the two cases has been noted by commentators here. There had been speculation that an indictment of Dinitz prior to or at the same time as the long-expected indictment of Deri on fraud charges would deflect accusations that Deri and his colleagues of the Sephardic Shas party have been targeted out of ethnic or anti-Orthodox prejudice.

For Dinitz, the next moment of decision comes next week, when the Jewish Agency Executive meets on Tuesday and Wednesday. The leadership of the United Jewish Appeal and Keren Hayesod fund-raising campaigns for the Jewish Agency are expecting a decision by then on Dinitz's future.

It is unclear, under the Jewish Agency constitution, whether the Executive could suspend Dinitz, even if it wanted to. But word among fund-raising circles is that Max Fisher, the founding chairman of the Jewish Agency, is currently considering proposals under which Dinitz would retire and his pension would be secured.

On Thursday, the Israeli members of the Jewish Agency Executive urged that no action be taken against Dinitz until the attorney general decides whether or not to indict him.

Similar statements had been made previously from the American members of the Executive who represent the World Zionist Organization, and by 17 Zionist federations around the world, including those in the United States, Australia and Chile.

Treasurer Urges Him To Step Aside

But these public expressions of support may be waning.

Jewish Agency Treasurer Hanan Ben Yehuda told Israel Television's evening news broadcast Wednesday night that Dinitz should step aside.

And one of the 15 Labor Party Knesset members who signed a statement supporting Dinitz complained that it had been released after the police recommended indictment this week, even though he had signed it three weeks ago.

Others who signed it, however, said that until an indictment is handed down, they will stand by Dinitz.

Meanwhile, two people mentioned as replacements for Dinitz in the event that he steps down or is removed from office have publicly denied interest in his job.

In New York, both Israel's ambassador to the United Nations, Gad Yaacobi, and Uzi Narkiss, head of the WZO delegation to the United States, issued statements denying news reports of their interest in the post.

Others cited by the Israeli press have included Agriculture Minister Ya'acov Tsur; Knesset member Avraham Burg; Moki Tsur, head of the United Kibbutz Movement; and Moshe Nativ, the Jewish Agency's director-general.

(Contributing to this report were JTA correspondent Cynthia Mann in Jerusalem and JTA staff writer Larry Yudelson in New York.)

U.S.-BORN MAN LOSES CITIZENSHIP AFTER LYING ABOUT WARTIME PAST

WASHINGTON, Aug. 26 (JTA) -- An American-born man who worked as a guard in three Nazi concentration camps has been stripped of his U.S. citizenship and now faces deportation proceedings.

If deported, he would become the first U.S.-born citizen to be removed from this country for war crimes.

Nikolaus Schiffer, 74, a native of Philadelphia, was denaturalized on Wednesday for having lied about his wartime service at the Majdanek death camp in Poland, the Sachsenhausen concentration camp in Germany and Hersbruck, a subcamp of the Flossenburg concentration camp, also in Germany.

Although 46 people to date have had their U.S. citizenship revoked for concealing their involvement in the Nazi persecution of Jews during the Holocaust, all have been foreign-born.

Schiffer's attorney, William Jones, said he expected to appeal Wednesday's ruling, according to a report in *The Philadelphia Inquirer*.

Schiffer was not implicated in any specific crimes as an SS guard. But after hearing testimony from concentration camp survivors and others last March during a non-jury trial in Easton, Pa., U.S. District Judge Franklin Van Antwerpen ruled that Schiffer had illegally regained his U.S. citizenship by concealing his wartime service.

He originally lost his U.S. citizenship when he joined the Romanian army and the Nazi SS, and pledged allegiance to Adolf Hitler.

Schiffer, a retired baker who has been living in New Ringgold, a religious enclave in Pennsylvania, was born to ethnic German parents. As a child he was taken to Romania, where he grew up in Moravitz, an ethnic German town in Romania.

Schiffer maintained that he did nothing wrong, but the judge ruled this ludicrous.

"We find much of Schiffer's testimony unbelievable," Van Antwerpen wrote in an 82-page decision.

Judge Slams Testimony of Camp Guards

In the ruling, the judge noted that although Schiffer had not been at the Trawniki, Poland, forced-labor camp in November 1943, when the Nazis massacred 6,000 Jews, he was there in January 1944, when Jewish prisoners were ordered to excavate the bodies of the slain Jews and burn them.

According to Schiffer's testimony, he saw nothing, heard nothing and smelled nothing at the camp.

But the judge noted in a footnote to his ruling that "in general, the testimony of former concentration camp guards is notoriously unreliable."

"Former camp guards facing denaturalization frequently claim to have served involuntarily, to have been stationed only on the camp periphery, to have been unaware of any mistreatment or punishment of prisoners, to have seen nothing and heard nothing," he wrote.

Schiffer must surrender his naturalization papers in 60 days, when the government could initiate deportation proceedings against him.

Meanwhile, the U.S. Justice Department and its Ukrainian counterpart have signed a memorandum of understanding to pursue Nazi war criminals.

The memorandum, signed by Deputy Attorney General Philip Heymann and Ukrainian Procurator General Victor Shishkin, provides for mutual "legal assistance in conducting investigations concerning individuals who are suspected of having committed Nazi war crimes or having assisted in the commission of such crimes."

The agreement, which replaces one that was signed with the procurator general of the former Soviet Union in 1989, will allow the Justice Department's Office of Special Investigations to conduct interviews and take witness testimony in Ukraine.

INCIDENTS OF NEO-NAZI VIOLENCE UP 76 PERCENT IN GERMANY IN '92

By David Kantor

BONN, Aug. 26 (JTA) -- Incidents of neo-Nazi violence in Germany were up 76 percent in 1992 over the previous year, the Interior Ministry has reported.

The report also showed that 17 people were killed in 1992 as a result of the neo-Nazis' xenophobic violence against asylum-seekers and foreign workers.

The report was prepared by the Internal Security Service, which maintains surveillance of extremist groups.

The report said that there had been a total of 2,584 violent incidents by neo-Nazis in the time since the security service has been tracking their activities.

The high number of violent incidents indicates that the problem of right-wing extremism has taken on "new dimensions," said the report.

Previous reports had tended to play down neo-Nazi violence, concentrating instead on left-wing terrorism.

The latest report found that the number of far-right groups considered dangerous increased to 82 even though some were banned last year.

The report was applauded by the Simon Wiesenthal Center in Los Angeles. "We are pleased to see that the government seems to finally be convinced that it must treat the threat of the far right the way extreme-left groups were previously dealt with," said Rabbi Abraham Cooper, the center's associate dean.

"Better police surveillance, infiltration and other pro-active policies are exactly the measures that need to be taken if the tide of Nazi-inspired death and mayhem is to be stopped," he said.

Earlier this year, the Wiesenthal Center concluded a six-month undercover operation inside Germany's neo-Nazi movement, finding it far more extensive than previous official reports had maintained.

Meanwhile, German experts are divided on whether the bans on several particularly violent neo-Nazi organizations have helped the authorities in their fight against right-wing extremism.

For example, the mayor of Dolgenbrot, a town near Berlin, has repeatedly denied that town residents hired neo-Nazis to firebomb a local hostel for asylum-seekers last November.

But he confirmed that the residents had strong feelings against the construction of the hostel, and that they were angry that the refugees had been assigned to live in their town.

According to local reports, young neo-Nazis had been paid some \$1,200, allegedly collected by the town's residents, to burn down the hostel.

The arson attack enabled state authorities to send the asylum-seekers to Dolgenbrot.

RENO REJECTS NEED FOR EXEMPTION IN RELIGIOUS FREEDOM LEGISLATION

By Deborah Kalb

WASHINGTON, Aug. 26 (JTA) -- In a move welcomed by many in the Jewish community, Attorney General Janet Reno has spoken out strongly in favor of a religious freedom bill currently pending in Congress.

Reno, already known as a backer of the bill, reiterated her support for the Religious Freedom Restoration Act at a news conference Thursday.

The bill, which would make it harder for the government to encroach on free exercise of religion, is supported by a broad coalition of Jewish and other religious groups.

It was designed to circumvent a 1990 Supreme Court ruling that gave states greater leeway in outlawing certain religious practices.

While the original court case dealt with ritual use of the hallucinogen peyote in Native American religious practices, Jewish groups consider the ruling a dangerous precedent for laws that could restrict such ritual practices as kosher slaughter.

In May, the bill unanimously passed the House of Representatives and passed the Senate Judiciary Committee by a 15-1 vote. But the full Senate has yet to take up the measure.

When the bill was introduced in Congress in March, supporters confidently predicted an early passage in both chambers of Congress.

But there is one issue posing a threat to easy Senate passage of the bill: the question of whether prisons will be exempt from the proposed new standards, which would require governments to prove a compelling state interest before regulating a religious practice.

A number of state attorneys general have been backing such an exemption for prisons.

They argue that if the bill were passed without such an exemption, prisoners would successfully seek special treatment in the name of religious freedom, and that this in turn would create upheaval in the country's prisons.

Sen. Harry Reid (D-Nev.) has introduced legislation exempting prisons from the bill.

Has Been 'Absolutely Superb'

But Jewish and other religious groups, on the other hand, fear that if an exception is granted for one group, other groups will seek exemptions, and the carefully crafted legislation will be derailed.

The legislation was the result of months of negotiating among various interest groups, all of whom agreed not to ask for exemptions.

In addition, religious groups argue that a prison exemption is not necessary because they say the bill would not pose a threat to the legally recognized special needs of prisons.

At her weekly news conference Thursday, Reno took a position similar to that of the religious groups. The nation's top law-enforcement official said she supported the legislation without any exemption for prisons.

"I think if you make an exception for prison, you should make an exception for so many things. And I think the one standard spelled out in the act can address religious freedom in all contexts and situations," Reno said.

The attorney general also spoke favorably of the legislation during her confirmation hearings in March, noting that she and President Clinton supported quick passage of the bill.

Subsequently, she reviewed the issues surrounding the proposed prison exemption and sent a letter to Congress arguing that the prison exemption was unnecessary.

In a May 5 letter to Sen. Joseph Biden (D-DeI.), chairman of the Senate Judiciary Committee, Reno wrote that she "respectfully disagreed" with those arguing in favor of a prison exemption.

"From the moment she was nominated, Janet Reno has been absolutely superb on the Religious Freedom Restoration Act," said Rabbi David Saperstein, a major supporter of the bill who serves as director of the Religious Action Center of Reform Judaism.

"As the administrator of the nation's largest prison system, she, better than anyone, is in a position to evaluate the arguments made by the state attorneys general," said Mark Pelavin, Washington representative for the American Jewish Congress, another group backing the legislation without amendments.

Pelavin said that AJCongress, on behalf of the religious coalition supporting the bill, would be sending a letter to senators Monday rebutting the arguments of the attorneys general.

SHAS PARTY OFFICIALS NOW UPSET ABOUT SEARCH OF MEMBER'S OFFICE

By Gil Sedan

JERUSALEM, Aug. 26 (JTA) -- In what they see as a clear violation of a Knesset member's parliamentary immunity, the Shas party is claiming that police investigators have confiscated documents from the offices of Knesset member Yosef Azran.

Members of the Shas caucus demanded Thursday that the Knesset return from its summer recess and convene to discuss the matter.

The confiscation by the police came as the result of a complaint filed by the opposition National Religious Party -- a rival of Shas -- that someone had gained unauthorized access to the party's computer and had stolen classified information.

According to Shas, police investigators dealing with the complaint confiscated documents from Azran's room without authorization. They maintain that the police took documents that were totally unrelated to the complaint, such as the transcripts of telephone conversations held by Azran.

Shas noted that the police investigating team was headed by Meir Gilboa, the officer who headed the investigation into the financial affairs of the Shas party leader, Interior Minister Aryeh Deri.

Deri and another top Shas official, Deputy Religious Affairs Minister Raphael Pinhasi, have been under investigation for alleged financial misdealings.

Their cases have already led to threats that Shas will abandon the Labor-led coalition government.

In contrast to his colleagues' complaints, Azran himself tended to play down the police confiscation. He expressed the view Thursday that police had no bad intentions and that "journalists were meddling in the affair too much."

Similar comments were made by Labor Knesset member Hagai Meir, chairman of the Knesset House Committee.

But he, too, believed that an inquiry should be held into whether the police had violated the parliamentary immunity of a Knesset member.