

**ARAFAT AND PERES SOUND UPBEAT NOTE ABOUT PROSPECT FOR CONCLUDING TALKS**
By David Landau and Dvora Getzler

JERUSALEM, April 21 (JTA) -- After meeting in Bucharest, Romania, this week, Israeli Foreign Minister Shimon Peres and Palestine Liberation Organization Chairman Yasser Arafat both sounded fairly upbeat.

Both seemed to anticipate a successful conclusion by next week of the remaining security questions being discussed at the ongoing negotiations in Cairo for implementing Palestinian self-rule in the Gaza Strip and West Bank town of Jericho.

"We are at the beginning of the end (of the negotiations), and we are trying to find a way how to complete this great historic voyage of the Palestinian people and the Israeli people," Peres told reporters.

"I am sure we are at the end of the slow march that we have so worked so hard at," said Arafat.

Peres and Arafat were in the Romanian capital to co-chair a forum on economic prospects in the Middle East.

Some political observers here are saying Arafat wants to hold off a final signing ceremony with Prime Minister Yitzhak Rabin until after the South African elections next week and that country's May 10 presidential inauguration, in order to maximize world media coverage and gain additional support for Palestinian self-rule.

Arafat arrived in Bucharest on Wednesday after a two-day visit to Moscow, where Russian leaders have been attempting to reassert their prominence in world affairs.

Arafat ended his visit to Moscow on Wednesday armed with a promise of Russian assistance for the establishment of a Palestinian police force in the areas set to come under Palestinian self-rule.

Arafat Meets With Yeltsin

The agreement was the result of talks between Arafat and Russian Interior Minister Viktor Yerin, according to an Interior Ministry spokesman. The spokesman said Russia would provide practical help with the Palestinian police, but provided no details.

Arafat also met with President Boris Yeltsin in the Grand Kremlin Palace.

After their meeting Yeltsin said to Arafat, "Russia is trying to support you politically, especially now, after the PLO negotiations with Israel."

Yeltsin also said he understood the "PLO's claims against Israel."

Following talks with Foreign Minister Andrei Kozyrev, the PLO leader said he had expressed concern about Israel's failure to comply with the schedule for its withdrawal from the Gaza Strip and Jericho.

Under the autonomy agreement signed in September, Israel was to have completed the withdrawal by April 13.

In comments to reporters, Arafat said that

unless Israel withdraws quickly from Gaza and Jericho, the Middle East may soon resemble the complex and bloody mess in the Balkans.

"The deadlines have passed with nothing complete on the ground. Unless we succeed in the peace the alternative is complete anarchy in the region and Balkanization," he said.

He told reporters he would welcome the deployment of Russian observers in Hebron and other areas as part of a team of international observers.

Peres and Arafat will reportedly travel to Cairo next week to help conclude the ongoing negotiations there.

Their optimism that the talks could be wrapped up next week was echoed in the Egyptian capital, where this week's negotiations between Israeli and Palestinian teams ended on an upbeat note.

Still causing tension between the two sides are the issues of legal jurisdiction in the territories and certain security matters such as joint patrols, crossing points and passage between the Gaza Strip and Jericho, the two areas first slated for Palestinian autonomy. Some of these issues may need further clarification by a joint liaison team after the agreement is signed.

But the Rabin-Arafat signing also depends on the progress of talks on economic issues being held in Paris, where "very serious problems remain to be solved," according to Israeli Finance Minister Avraham Shohat.

"Last week's talks went very well and we started this week's session on a very optimistic note," said Shohat, who heads the Israeli negotiating team at the Paris talks. "But to my regret, the Palestinians have made demands that we can under no circumstances accede to.

"We are being very fair towards them, because we want to see these talks through to a successful conclusion. But we can't sacrifice basic interests," said Shohat.

Among the issues causing dissent is a Palestinian demand that the areas falling under Palestinian self-rule be allowed to trade with any state that they choose, including those that have no trade relations with Israel and those that practice "dumping" of their goods below usual prices.

Such dumping could threaten to flood the Israeli market with cheap goods, since the borders between Israel and the autonomous regions will be open to free trade.

(Contributing to this report was JTA correspondent Lisa Glazer in Moscow.)

RABIN SAYS HE IS WILLING TO CONSIDER REMOVAL OF SOME SETTLEMENTS IN GOLAN
By David Landau

JERUSALEM, April 21 (JTA) -- Prime Minister Yitzhak Rabin said this week that he is willing to contemplate a withdrawal from the Golan Heights that would entail the removal of some Jewish settlements there.

While the prime minister did not specify lines on a map during his speech Thursday, his remarks angered sections of his audience -- the

Council of the United Kibbutz Movement meeting in Tel Aviv -- and infuriated settlement leaders in the Golan.

His comments came as negotiations between Israel and Syria, which have been stalled for months, are scheduled to resume in Washington in early May.

In remarks made Tuesday to the Foreign Affairs and Defense Committee of the Knesset, Rabin said he was prepared for a deeper withdrawal on the Golan than that proposed in position papers drawn up by the Israeli army general staff.

The two statements by Rabin come just days before a new round of shuttle diplomacy in the region by U.S. Secretary of State Warren Christopher, who is scheduled to travel to Damascus next week before going to Jerusalem and other regional capitals.

There have been widespread predictions in political circles here and in Washington that the focus of peacemaking efforts will shift to the Israeli-Syrian track after negotiations with the Palestine Liberation Organization are concluded for establishing Palestinian self-rule in the Gaza Strip and West Bank town of Jericho.

Press reports here note how the Israel Defense Force, the Foreign Ministry's planning department and other state bodies have been working on position papers regarding future peace and security arrangements with Syria.

Some of these reports note that the underlying premise for establishing peace with Syria is an eventual total Israeli withdrawal from the Golan -- but that this will be implemented in lengthy stages.

Rabin himself insisted this week that no position paper submitted to him had spelled out the scenario of total withdrawal from the Golan.

A series of media reports have meanwhile disclosed that Israel and Syria have been holding secret back-channel negotiations in the form of periodic meetings between the two countries' ambassadors in Washington.

According to the reports, Ambassadors Itamar Rabinowitz and Walid Muallem have met in the homes of U.S. officials and have discussed -- less formally than in the bilateral negotiations -- proposals for security arrangements between the two countries.

FAMILIES OF ISRAELI MIAs EMBARK ON HUNGER STRIKE By Dvora Getzler

JERUSALEM, April 21 (JTA) -- The families of several Israeli airmen who have been missing since the Lebanon War have embarked on a hunger strike to call attention to the plight of their relatives.

They have also sent a message to Palestine Liberation Organization Chairman Yasser Arafat that they want answers to what happened to the young men, who were captured in Lebanon in 1982 during a key battle.

Yona Baumel, father of missing Israeli soldier Sgt. Zachariya Baumel, met last week with Faisal Husseini, the leading PLO representative on the West Bank, who promised he would personally convey to Arafat the families' deep concerns when the two meet this weekend in Tunis.

Husseini told Baumel that it was also neces-

sary to emphasize to Israel that Palestinians needed similar information.

"I think the specific contribution that Mr. Husseini can make is to impress on Yasser Arafat the suffering of the Palestinian families, because they are suffering as much as we are," said Baumel after the meeting.

Baumel and his wife and the parents of Zvi Feldman and Yehuda Katz began their hunger strike last week. The airmen were all captured following the Sultan Yacub battle in 1982.

Last fall, the Baumels received half of an army identity disk allegedly belonging to their son, obtained through Arafat's intervention. Since then there have been numerous promises and half-promises that more information would be forthcoming about the fate of Israelis missing in action from the Lebanon War.

But nothing has come of the promises.

Two other Israeli soldiers, Yosef Fink and Rachamim Alsheikh, were captured in Lebanon in 1986. In 1991, Israel received indirect word from the Islamic fundamentalist organization Hezbollah that the two were dead.

The body of another Israeli soldier, Samir Assad, was returned to Israel in 1991.

A THIRD OF MA'ALEH EFRAIM SETTLERS READY TO LEAVE IN EXCHANGE FOR MONEY By Dvora Getzler

JERUSALEM, April 20 (JTA) -- About one third of the families living in the West Bank settlement of Ma'aleh Efraim are prepared to leave their homes in return for what they term "appropriate compensation" from the Israeli government.

Ma'aleh Efraim is located north of Jericho, which, along with the Gaza Strip, is scheduled to fall under Palestinian self-rule once a final agreement is reached between Israeli and Palestine Liberation Organization officials currently negotiating in Cairo.

The residents of Ma'aleh Efraim cite troublesome security issues as the reason for their desire to move elsewhere.

"We are not prepared to live under Palestinian autonomy. What interests us first and foremost is the security of our children," said a spokesman for the some 70 settlers who are prepared to move.

There are 300 families in the settlement, which was founded in 1978. The settlement received a population boost in 1985 following an advertising campaign that stressed the quality of life available there.

According to Gaby Harel, an activist among those who are ready to leave, the settlers have not yet decided how much to ask the government for to cover moving costs.

"But I don't know of even one resident here who won't be ready to get up and leave if they get paid to do so," said Harel.

Members of the settlement wishing to leave are planning to meet with Labor Knesset members to discuss the matter.

Earlier this month, some 18 families living in the settlement of Dugit, located in Gaza, also sought government compensation for relocation expenses.

They, too, expressed fears for their safety once Palestinian self-rule is implemented.

JEWS RETURN TO SHANGHAI TO MARK 50TH ANNIVERSARY OF WARTIME HAVEN

NEW YORK, April 21 (JTA) -- Jews returned to the Chinese port of Shanghai this week to commemorate the 50th anniversary of the haven from Nazi persecution they were given there.

On Tuesday, under pouring rain, the city of Shanghai honored the approximately 20,000 Jews who fled Europe and survived the Holocaust there.

Because Shanghai was a free port, one of the only cities in the world that did not demand visas or travel papers, it became a sanctuary for Jewish refugees.

During World War II, the European Jews were kept under armed Japanese guard in the occupied city, in a bombed-out slum known as the Hongkou Ghetto. But they were free to leave the area during the day and could apply for three-month work papers.

The Japanese rounded up the Jews to assuage their Nazi wartime allies but refused a demand to carry out the "Final Solution" there.

Among the Jews who found haven in Shanghai were the students and faculty of the Mir Yeshiva, which was near Grodno, in Belarus.

Some Jewish refugees remained in Shanghai for up to 10 years before they left for the United States, Israel or other countries.

Today there is no longer a Jewish community in Shanghai.

One Chinese official attending this week's ceremony said that the people of Shanghai "will never forget the role of Jews in helping to build our city."

At the ceremony, China's first-ever memorial to Holocaust victims was unveiled by Huang Yuejin, mayor of the Hongkou District People's Government.

Act Of Thanksgiving To People Of Shanghai

The bronze and stone memorial is inscribed in Chinese, Hebrew and English.

An orchestra composed entirely of women played Hebrew and Yiddish songs.

Attending the ceremony was Rabbi Arthur Schneier of the Park East Synagogue in New York, a Holocaust survivor who is also head of the ecumenical group Appeal of Conscience.

Under the auspices of the foundation, Schneier helped organize the memorial with Chinese officials and led a group of about 60 survivors to China for the events, which were held from Tuesday through Thursday.

"We are here today in an act of thanksgiving to the people of Shanghai who, despite their hard life during the Japanese occupation, welcomed the tired and hunted newcomers clinging to life," said Schneier in a speech Tuesday.

"We salute the Chinese people, who have been immune to the scourge of anti-Semitism. And we voice our gratitude for the friendship of the American and Chinese peoples and for the newly established bonds between the People's Republic of China and the State of Israel," said Schneier.

Israel and China established diplomatic relations in 1992.

Pan Guang, dean of Shanghai's Institute for Sino-Judaic Studies, who helped organize the ceremony, said the peace accord between Israel and the Palestine Liberation Organization helped pave the way for this ceremony.

WARSAW TO GET JEWISH SCHOOL FOR FIRST TIME IN A GENERATION

By Ruth E. Gruber

WARSAW, April 21 (JTA) -- For the first time in a generation, Warsaw will have a Jewish elementary school, starting next September.

The formal announcement of the school's opening was made here last week.

The non-profit, private school will be established by the Ronald S. Lauder Foundation and called the Lauder-Morasha School. It will join schools sponsored by the foundation established in Budapest and Vienna.

"I am thrilled that with this project we are bridging the past with the future," Ronald Lauder, who established the foundation, said in a message read at the announcement ceremony.

"This school gives us a wonderful opportunity to transmit the legacy of Jewish tradition and learning to this community," said Lauder, a former U.S. ambassador to Austria.

During his posting to Vienna, Lauder became deeply interested in his Jewish roots and in preserving Jewish religion and culture in Eastern and Central Europe.

"When we send our children to school, we trust that what they learn will enable them to build a better world for all," he said in his message. "Therefore, I pledge in the name of the Ronald S. Lauder Foundation to keep this heritage alive in our children."

Committed To See School Thrive

"And you have my word that I am personally committed to seeing the Lauder-Morasha School grow and thrive," he said.

The school's director will be Helise Lieberman. She said the curriculum will offer the basic requirements of Polish primary schools and meet the standards set by the Ministry of Education.

It will also, she said, include the teaching of Hebrew and English, as well as classes in Jewish tradition and culture. In addition, there will be classes in computers, music, fine arts, theater arts and sports, and numerous after-school activities.

"The school will provide the opportunity for our children to learn what it is to be Jewish in Poland today," she said.

A parents committee worked with Lieberman to hammer out a curriculum and the school's aims. Many of the score of children expected to enter the Morasha School attended a Jewish kindergarten set up in Warsaw several years ago.

Rabbi Michael Schudrich, an American who is the Lauder Foundation's director in Poland, said the establishment of the school represents a "turning point" and a "milestone" in the evolution of the Polish Jewish community.

Some 3.5 million Jews lived in Poland before the Holocaust. About 3 million of them were killed by the Nazis. Most survivors left after the war or after an anti-Semitic purge in 1968.

In the past 15 years, and particularly since the Communists were ousted in the period from 1989 to 1990, there has been a steady growth in Jewish activity in Poland, particularly among young people, many of whom only recently discovered they were Jewish.

Estimates of the number of Jews in Poland today range from 10,000 to three or four times that number.

ITALIAN JEWS CONCERNED ABOUT VIEWS OF NEW RIGHTIST LEADER OF PARLIAMENT

By Polly Stroud

ROME, April 21 (JTA) -- Irene Pivetti, the newly elected speaker of the lower house of the Italian Parliament, denies that she is anti-Semitic, but nonetheless contends that Jews are racist.

She is a slight, pale and delicate-looking woman who likes to dress in pastel colors, but her appearance is deceiving.

She is known as "la papessa (the popess)" and "la pasionaria" for her vehement views on Catholicism and fiery oratory in defense of her party, the separatist Northern League, and its leader, Umberto Bossi.

"Your soul to God; your vote to Bossi," was her campaign slogan in the March 27-28 national elections. She describes herself in order of priority as "Catholic, leaguit and woman."

Pivetti was elected speaker Saturday, when Parliament convened for the first time since Silvio Berlusconi's Forza Italia party and his right-wing allies won enough seats in last month's elections to form a government.

Pivetti's outspoken views on Jews have been the subject of concern in the Italian Jewish community.

At 31, she is the youngest speaker of the Chamber of Deputies in the history of the post-World War II Italian Republic. But her views are deeply rooted in the past, hearkening back to Italy before unification and to the church before the ecumenism of the Second Vatican Council in the mid-1960s.

Tullia Zevi, president of the Union of Italian Jewish Communities, expressed concern about Pivetti's conception of a "triumphalist Catholicism that the Catholic Church has substantially revised since the ecumenical Vatican Council II."

The charges of anti-Semitism arose from a commentary Pivetti wrote for the Nov. 13, 1992, issue of the newspaper L'Indipendente, in which she condemned the outcry against skinheads who had plastered Stars of David on a number of Jewish-owned shops in Milan.

Mocked Concern Over Skinhead Vandalism

"Thus even the perfect idiocy of the Star of David affixed to the doors of the Jews becomes the pretext for giving vent to ridiculous jeremiads against resurgent anti-Semitism and justifying the sensitivity of bands of young Jews with itching hands," she wrote.

Pivetti's views commanded attention because she had been elected to Parliament seven months earlier and was in charge of the Northern League's relations with the Vatican.

The article was resurrected by the opposition Radical Party when the right-wing Freedom Alliance that won last month's elections announced that Pivetti was the majority candidate for speaker of the Chamber of Deputies.

The position ranks third in Italy's institutional hierarchy, behind the president and the Senate speaker.

Pivetti called the left-wing Radical Party's accusation of anti-Semitism "demented" and said she had asked her lawyer to look into the possibility of filing slander charges.

Accusing the Radicals of using the issue as a ploy to raise their political price for supporting

the alliance, she said, "Anti-Semitism has generated tragedy and it is despicable to throw it out for calculated business aims."

To clinch her argument, she reported that the first person to congratulate her on her candidacy was a Jewish member of Milan's City Council, Dr. Franco Fiorentini.

But she has contended that there is "a racial component to Judaism."

In the 1992 article, Pivetti wrote that Italian Jews have jealously guarded the "identity of a racial, religious and cultural minority."

They marry "only among themselves (if they are practitioners), considering themselves the Chosen People of God and expanding the considerable economic, intellectual and political influence of their community," she wrote.

Quoting a friend who was born a Jew but converted to Christianity, she said it was for these reasons that Jews have been persecuted over the centuries.

Pivetti is equally unforgiving on the supremacy of Catholicism. She included an oblique attack on Pope John Paul II and his ecumenism in her reply to the anti-Semitism charges.

She is accused of anti-Semitism, she said, "for being a Catholic who doesn't recognize 'elder brothers' in false religions."

The pope first referred to Jews as "our elder brothers in Abraham" when he made a historic visit to the Rome Synagogue in 1986, and he has used the phrase repeatedly since then.

Pivetti contends it is the "duty" of Catholics to convert non-Catholics.

The newspaper La Stampa reported that when asked why she would want to convert a Muslim, she replied, "To save his soul."

When it was pointed out that the Muslim might have equally strong religious convictions, she said, "The difference is that I am right and he is wrong."

IN TWIST, ISRAELI ATTACKED IN GERMANY BY ATTACKERS WHO THOUGHT HE WAS ARAB

By Igal Avidan

BERLIN, April 21 (JTA) -- An Israeli was attacked Sunday and slightly wounded in the west German city of Gottingen, but in a novel twist, the assailants thought he was an Arab.

Police said the perpetrators cursed the Israeli as "a dirty Arab" and attacked him with an ax and a bottle of beer as he tried to defend himself verbally.

Because the assailants were too drunk to handle the ax, the Israeli, who is 24, was only slightly injured in the chest.

The four perpetrators, ages 16 to 20, are believed to be right-wing extremists.

Meanwhile, right-wing extremists are continuing verbal and legal attacks against Ignatz Bubis, chairman of the German Jewish community.

Franz Schonhuber, head of the ultra-right-wing Republicans, has asked Bubis to apologize for calling his party "intellectual arsonists."

At the same time, the prosecuting attorney in Frankfurt has halted proceedings against Bubis initiated by Gunther Deckert, the leader of another right-wing party, the National German Party.

Deckert accused Bubis of slander, agitation and character defamation, but the prosecutor's spokesperson called the accusations "groundless."