

**AS RHETORIC ON JERUSALEM HEATED UP,  
PERES LETTER TO ARAFAT IS MADE PUBLIC**  
By Dvorah Getzler

JERUSALEM, June 2 (JTA) -- As the rhetoric over the status of Jerusalem heated up this week, it emerged that Foreign Minister Shimon Peres sent Palestine Liberation Organization chairman Yasser Arafat a letter last fall promising that Israel would respect Palestinian institutions in Jerusalem.

Several weeks after the signing of the declaration of principles last September in Washington, Peres sent the letter to Johan Jorgen Holst, the late Norwegian foreign minister who was instrumental in hosting the secret Oslo talks that led to the historic signing.

At the time, Peres had asked Holst to give the letter to Arafat.

In the letter, Peres referred to a speech he made in the Knesset on Sept. 9, when there was much euphoria surrounding the Oslo agreement that formed the basis of the declaration of principles.

In that speech, Peres said Israel "would bind itself to ensuring the proper functioning of the various religious institutions" in Jerusalem.

He also said in the Knesset speech that mutual respect would be required of all communities in Jerusalem if they were to live together in harmony -- which would also mean respecting "religious, social and other institutions" and tolerating separate educational frameworks.

This week, Rabin gave notice that Israel will not tolerate the establishment of new Palestinian autonomous institutions in Jerusalem.

An Israeli official close to the peace process reiterated Rabin's position, saying Peres' letter related only to Palestinian institutions that were in existence last September.

What Israel objects to today, he said, is the establishment of any new Palestinian political institutions in Jerusalem.

"We won't allow that," the official said.

**The Thorniest Issue**

Last year, Arafat requested the letter as a weapon with which to fight for the preservation of the Palestinian status quo in Jerusalem when the issue comes up for discussion in two years.

At that point, the parties are to negotiate a permanent arrangement for the autonomous Palestinian entity. The status of Jerusalem is certain to be the thorniest issue at those discussions.

In an interview with the Israeli daily Ha'aretz, the official denied that there were any secret annexes to the agreement Israel made at the time with the PLO.

The letter, he said, referred to a Knesset speech, which is a matter of public record.

Arafat revealed the existence of the letter during the course of a speech he gave in a mosque in Johannesburg last month. In that speech, Arafat had called for a jihad -- an Arabic term generally translated in English as meaning a holy war -- to regain control over Jerusalem.

**NEWS ANALYSIS:****LABOR GOVERNMENT FACES 'MIDLIFE' CRISIS  
AS IT NEARS SECOND ANNIVERSARY IN POWER**  
By David Landau

JERUSALEM, June 2 (JTA) -- Governments, like people, go through midlife crises. This well-known political phenomenon appears now to be taking its toll on Prime Minister Yitzhak Rabin's Labor-led government as it approaches the second anniversary of its June 1992 electoral victory.

The phenomenon is taking place despite -- or perhaps because of -- the government's successful conclusion of the autonomy agreement with the Palestine Liberation Organization.

The polls are showing slippage, and the Labor leadership is grappling with internal frictions that flashed to the surface this week with Rabin's appointment of Labor Knesset member Ephraim Sneh as the new minister of health.

The main opposition party, the rightist Likud, is hardly enjoying its rival's difficulties, however: it is beset by internal problems of its own.

The latest of these was a bombshell dropped over the weekend by hardliner Ariel Sharon. The former defense minister announced he would run for prime minister in the next elections. Likud party leader Benjamin Netanyahu, in a quick and angry response, demanded that Sharon be drummed out of the party.

These developments may be more than just the recriminations and bickerings of a government -- and an opposition -- that have long since passed the honeymoon stage.

Radical changes in the country's political infrastructure are looming, say pundits here, and their implications can be clearly seen in recent events.

Two key causes underlie the pending changes.

First, electoral reform, which will apply for the first time in the next election.

Under the new election law, voters will vote directly for the prime minister of their choice. In a separate ballot for the Knesset, they will vote for the party of their choice.

This will enable people to split their vote, and it will greatly enhance the power and prestige of the elected prime minister.

Second, the peace agreement with the PLO is making many of the arguments that divided Labor and Likud for more than a generation passe, or at least highly hypothetical.

**Updated Platforms Sought**

Politicians on both sides are casting around for new, updated political platforms.

The first clear sign that things in Israeli politics were no longer as they had been for decades came with the election, early in May, of Labor renegade Haim Ramon as secretary-general of the Histadrut, the trade union confederation.

Ramon, a former Labor Party minister of health and Rabin confidant, broke with his party over health reform and fought against the Labor incumbent, Haim Haberfeld, for the leadership of

the powerful but aged -- some would say anachronistic -- Histadrut.

Ramon won comfortably, and now, even before his formal installation, Rabin, Finance Minister Avraham Shohat, and Haberfeld himself must seek Ramon's cooperation in fending off looming bankruptcy in the mammoth Kupat Holim Clalit, the Histadrut-owned sick fund that provides health care and health insurance to some two-thirds of the populace.

Ramon's close friends and dovish political allies inside Labor, led by Knesset members Avrum Burg and Yossi Beilin, bridled this week at the appointment of dove-turned-middle-of-the-roader Sneh to the Cabinet as Ramon's replacement.

Some Labor insiders depicted the appointment as a blow by Rabin against his perennial rival, Foreign Minister Shimon Peres.

Sneh is not only a leading member of the Rabin camp; he is a turncoat, having earlier been a key figure in the Peres camp. Peres reportedly demanded that Burg or Beilin be made a minister too -- but Rabin, thus far, is stalling.

#### New Party May Form

The doves' fretting has intensified speculation that Ramon, Beilin and company may yet create a new party before the next election, absorbing both Meretz and the dovish wing of Labor.

Meanwhile, on the other wing of Labor, leading centrist figures like Mordechai Gur and Micha Goldman have been meeting, in various forums, with a number of moderate Likud Knesset members and a group of West Bank settlers, to discuss the political situation in the wake of the accord with the PLO.

These politicians are lending their names and voices to the current revival, by a group of academics, of the Allon Plan, under which Israel would retain key strategic areas in the West Bank, as a realistic and practical policy option.

This polarization within the party, coupled with the crisis at Kupat Holim, a six-week strike of the nation's social workers, the loss of control at the Histadrut, a harsh report by the State Comptroller on maladministration at the Housing Ministry -- all come on top of widespread anxiety over the peace process and deepening distrust of the PLO leader, Yasser Arafat.

Together, they seem to be sapping the government's public support.

Rabin himself, conscious -- though perhaps belatedly -- of the shifting political tides, mid-week threw himself into ongoing, marathon consultations on the health crisis.

And, in a series of blunt and outspoken public appearances, he has sought to assure the public that the Gaza-Jericho phase of Palestinian autonomy is proceeding better than expected -- at least in terms of coordination between the Israel Defense Force and the fledgling Palestinian police force.

On the Likud side, there was little open support for Sharon's candidacy for the premiership, and much loud criticism.

Even Dan Meridor, a Knesset member and former justice minister not known for his enthusiasm or respect for Netanyahu, asserted that the party had elected its leader democratically -- and Netanyahu had therefore earned the right to fight the next election at its head.

But a pregnant silence eddied forth from another disgruntled Likud figure: David Levy, the former foreign minister, who lost a bitter battle to head the party in 1992.

And behind the scenes, many Likudniks, while not endorsing Sharon's candidacy, nevertheless privately agreed with him that a leadership contest fought in 1992 ought not to determine the party's prime ministerial candidate in 1996, the latest date for the next election.

Sharon's candidacy is aimed as much at the right-of-Likud parties and extra-parliamentary groupings as at the Likud rank-and-file itself.

Indeed, it is precisely his hardline appeal that deters the rest of the Likud leadership: They know that the "floating voter," whose wavering between Likud and Labor determines the outcome of elections, will never cast his vote for Sharon.

Such a voter will only consider casting his ballot for a rightist candidate who is a relative moderate with the potential to attract broad mainstream support behind his candidacy.

Sharon's move, moreover, is seen likely to prompt another non-Likud hardline hopeful, Tsomet's Rafael Eitan, to throw his hat into the ring too, thus further fragmenting the right.

Sharon's and Eitan's supporters argue, though, that this ostensible fragmentation can work to the right's advantage in the new form of prime ministerial election that will take place.

They claim that while Rabin might well win a straight fight with Netanyahu, a three- or four-cornered contest would be unlikely to produce a clear winner with 51 percent of the ballots.

Thus, according to this argument, Sharon and Eitan would force a second round -- in which the rightist candidate, whoever he would be, would have a better chance against Rabin.

Fascinating speculation, but, with his iron-clad blocking bloc of 61 Knesset members, Rabin, though plainly troubled, can still afford to survey the midterm scene with a certain degree of equanimity.

#### **ISRAELI PLANES LAUNCH MAJOR STRIKE ON HEZBOLLAH TRAINING CAMP IN LEBANON** By Hugh Orgel

TEL AVIV, June 2 (JTA) -- After carrying out a series of reconnaissance missions over Lebanon earlier in the week, the Israeli air force on Thursday launched a devastating air strike on a Hezbollah training camp in Lebanon's Bekaa Valley.

The attack left 45 Hezbollah fighters dead and about 100 more wounded, according to official reports from Beirut and the offices of the Islamic fundamentalist movement.

The raid, over Baalbek in eastern Lebanon, was followed 12 hours later by a series of Katyusha rocket attacks on northern Israel.

The rockets, fired from Hezbollah bases in the coastal sector of southern Lebanon, landed in the Nahariya area of the western Galilee.

No casualties or damage was caused by the rockets, all of which fell in open fields away from populated areas.

The Israel Defense Force ordered residents of towns and villages along the frontier with Lebanon to take shelter in underground rooms or other protected quarters, in anticipation of further rocket attacks.

## KEY NAZI FIGURE ARRESTED IN SPAIN; WAS ALSO ACTIVE IN NEO-NAZI ACTIVITY

By Susan Birnbaum

NEW YORK, June 2 (JTA) -- Otto Remer, the former commander of Adolf Hitler's Berlin headquarters and prominent neo-Nazi leader after World War II, was arrested this week at the Malaga airport in southern Spain.

Remer was arrested on a German extradition order issued after he fled Germany two months ago before he was to begin a 22-month prison term for Holocaust denial.

A Spanish judge later changed the detention order to house arrest due, at least in part, to the 81-year-old Remer's state of health.

The wheelchair-bound Remer was arrested Wednesday, accompanied by his wife and an interpreter, as they were about to board a plane for Madrid.

On Wednesday, Spain's public prosecutor asked that the imprisonment order against Remer be dropped entirely and that he be freed because Holocaust denial is not a crime in Spain.

Remer, who has a house in Marbella on the southern coast of Spain, has been seeking political asylum in Spain.

As well-known as Remer was during the Nazi era, when he was commander of a crack Nazi guard battalion and was instrumental in breaking the plot to assassinate Hitler, he became even more notorious afterward with his high-profile promotion of racial hatred and of what has become known in Germany as the "Auschwitz lie."

Neo-Nazis look upon Remer as "a role model, a star, an elder statesman," said Aaron Breitbart, senior researcher for the Simon Wiesenthal Center in Los Angeles.

### 'Major-League, Unrepentant Nazi'

Besides helping to destroy the conspiracy by some German officers to kill Hitler, Remer "was also wounded about eight times in battle and received awards from Hitler himself," Breitbart said.

"You are dealing with a major-league, unrepentant Nazi. I would put him in the same category as Leon Degrelle, a Belgian Nazi who died recently in Spain," Breitbart said. "After the war, these men gave their bodies and souls to the operation of Nazi apologists."

In 1950, he said, Remer created the neo-Nazi Socialist Reich Party in Germany and "polled about 360,000 votes in a local election in Lower Saxony," Breitbart said.

"He got himself in trouble because he heaped a tremendous amount of abuse on the anti-Nazi resistance.

"He said that they were a stain on the honor of Germany, that they had stabbed Germany in the back," he added.

In 1952, he was sentenced to three months in prison for libeling the resistance.

"But he fled the country and never served the time, according to Breitbart.

"He resurfaced in Egypt, where he called upon Germans of similar background to help create a strong Arab army to fight international Jewry," Breitbart added.

"We don't have him down as a war criminal per se," said Breitbart. "His criminal activities begin after the war."

## ITALIAN PREMIER ASSURES JEWISH LEADERS THAT FORMER NAZI WILL BE TRIED IN ROME

By Ruth E. Gruber

ROME, June 2 (JTA) -- Italian Prime Minister Silvio Berlusconi has assured representatives of the Simon Wiesenthal Center that his government is against racism and that he is personally committed to seeing former Nazi Erich Priebke put on trial in Rome for war crimes.

Rabbi Abraham Cooper, Wiesenthal Center associate dean, and the center's European and Latin American director, Shimon Samuels, met for nearly an hour with Berlusconi and for longer with Italian Justice Minister Alfredo Biondi on Tuesday evening.

They were the first representatives of a major Jewish organization to meet with Berlusconi since the formation of the new Italian government, which includes five Cabinet ministers from the neo-fascist National Alliance.

A delegation of American Jews met last month in Washington with Italy's new foreign minister, Antonio Martino, seeking similar assurances about the new government's approach to anti-Semitism.

At a news conference following the meeting with Berlusconi and Biondi, the Wiesenthal Center leaders said they had given the Italians a dossier on Priebke's involvement in war crimes.

Priebke, now 81, was tracked down in Argentina last month and was placed under house arrest in the Andean town of San Carlos di Bariloche.

### Extradition Proceedings Have Begun

The Italian Justice Ministry has begun extradition proceedings for him on charges of his involvement in the 1944 massacre of 335 Italians, including 75 Jews, at the Ardeatine Caves south of Rome.

One of the documents presented by the Wiesenthal Center was a copy of a confession Priebke made in 1946 in which he admitted personally killing two of the victims at the Ardeatine Caves, the site of Italy's worst Holocaust massacre.

"We rushed to Rome because of the judicial limit of 45 days within which Italy must submit all documentation relating to the arrest warrant," Cooper said.

"What we heard from the prime minister was that he is personally committed to and wants to see Priebke go on trial soon and in Rome," he said.

He said the Italians said their foreign minister had asked Argentina last week to take measures to prevent Priebke from fleeing the country.

A government statement confirmed that Berlusconi wanted Priebke tried in Rome and said the justice minister told the Wiesenthal representatives that Italy would complete a full documentation on Priebke within a few days.

It said Berlusconi had assured Cooper and Samuels that "such an action stems from the deep-rooted repugnance that exists in Italy toward crimes against humanity, racial intolerance and anti-Semitism."

Cooper said Berlusconi "took great pains to assure us that none of the people in his Cabinet had ties that go back historically to the time of Mussolini."

## AFRICAN JEWS UNITE FOR FIRST TIME IN FORMING AFRICAN JEWISH CONGRESS

By Suzanne Belling

JOHANNESBURG, June 2 (JTA) -- Jewish communities throughout Africa became united this week at the founding meeting of the African Jewish Congress in Harare, Zimbabwe.

The idea for the AJC, which is the brainchild of Mervyn Smith, chairman of the South African Jewish Board of Deputies, and Seymour Kopelowitz, national director of the board, was first raised at the 1992 plenary of the World Jewish Congress.

"We were initially affiliated to the European Jewish Congress, which is not really our natural home," Smith told the Jewish Telegraphic Agency.

The African Jews "decided at the time that with South Africa coming out of isolation and with the need for strengthening Israel's links with African countries there was room for our own region of the World Jewish Congress on the African continent," he said.

A resolution passed at the national conference of the South African Board of Deputies gave rise to the formation of the AJC. The new grouping will probably entitle the Jewish community to observer status at the Organization of African Unity.

"The WJC has given informal approval to the AJC and, when this approval is formalized, we will be entitled to seats on the governing body of the WJC," said Smith.

The AJC's first meeting, held May 29-30, was attended by 150 delegates and observers from Botswana, Kenya, Mozambique, Namibia, South Africa, Zambia and Zimbabwe and was addressed by Elan Steinberg, WJC executive director.

Smith was elected chairman of the new group, which will be headquartered in Johannesburg, and Stanley Harris, chairman of the Jewish Board of Deputies of Zimbabwe, was elected vice chairman of the AJC.

### Atmosphere Was 'Celebratory'

Steinberg said the new congress is "an extraordinary affirmation of Jewish presence in every part of the world. It is a symbol of the Jewish people's vitality."

He described the atmosphere at the gathering as "celebratory, as well as one of intense mutual curiosity. This was a rare occasion, even for the Jews within the African continent, to get to personally know one another."

He said the African Jewish Congress made an agreement to link the communities together through electronic mail.

Although the sizes of the Jewish communities in Africa differ greatly -- there are, for example, 100,000 Jews in South Africa and 600 in Kenya -- each country is entitled to two representatives in the new congress, Smith explained.

Smith said the functions of the AJC will be to represent the Jews in sub-Saharan Africa and promote cultural, religious and social activities among small and dispersed communities.

"Through the small-communities committee of the AJC, we will be able to tackle localized problems, such as the lack of rabbis and teachers," said Smith.

At the gathering, the AJC expressed its grave concern for the people of Rwanda and "the

suffering and human tragedy being inflicted on them."

It further called on the international community and the OAU to use every means at its disposal, including military force, to establish peace in Rwanda, which has been torn apart by a bloody civil war that has left countless numbers of people slaughtered.

Another resolution made by the new congress called on the OAU and its member states to normalize relations with the State of Israel.

The resolution stated that the AJC fully backed the current peace efforts in the Middle East and was disappointed that a number of African states had not reviewed their relations with Israel. Many of those relationships had soured during the 1973 war in the Middle East.

The new AJC does not include Jews in the Arab countries of North Africa, "simply because their history and their politics, and because of the problematic nature of Jewish communities in Arab countries distinguished them from the Jewish communities in black Africa," said Steinberg.

## HUNGARIAN JEWS GET NEW CENTER WITH THE HELP OF JDC CAMPAIGN

By Agnes Bohm

BUDAPEST, June 2 (JTA) -- As the result of an initiative begun two years ago by the American Jewish Joint Distribution Committee, Hungarian Jews are soon to have a new community center here.

The building that will house the center, a pre-existing structure in downtown Budapest, is being renovated for specific use for community activities and is slated to open Sept. 1. It will accommodate Hungary's Jewish community, which, at an estimated 100,000 members, is the largest in Central Europe.

Costs for the new JDC-sponsored center are being paid in part by a \$300,000 grant from the London-based Central British Fund/ World Jewish Relief.

Also investing in the project are the Jerusalem-based Doron Foundation, which sponsors Jewish operations overseas, and members of the London-based Balint family, who are of Hungarian origin.

The JDC and Central British Fund will operate the center for the first two years and turn it over to the Hungarian Jewish community in 1996.

Mose Jahoda, director of the JDC offices in Hungary and Bulgaria, told the Jewish Telegraphic Agency that it is important that Hungarian Jews have the same opportunities for full community life as any Jewish community anywhere.

The new community center will house a Shalom Club for Holocaust survivors, who number about 30,000 in Hungary.

The center will also house a social club, cultural center, library and a computerized educational system connected to all Hungarian Jewish schools.

The JDC sponsors a number of programs in Hungary, for which it has a \$3 million budget. In addition to providing support to Holocaust survivors, the JDC provides financial assistance to elderly and poor Jews.

(Contributing to this report was JTA staff writer Mitchell Danow in New York.)