

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

ID# 317199

INCOMING

DATE RECEIVED: MARCH 24, 1992

NAME OF CORRESPONDENT: MS. RUTH W. POPKIN

SUBJECT: URGES THE PRESIDENT TO RECONSIDER HIS REFUSAL
TO GRANT ISRAEL ITS REQUEST FOR LOAN
GUARANTEES

FOUO-02

ACTION

DISPOSITION

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACT CODE	DATE YY/MM/DD	TYPE RESP	C D	COMPLETED YY/MM/DD
KATHY JEAUVONS		ORG	92/03/24	A-CK		92/05/07
REFERRAL NOTE:						
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COMMENTS:

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: 4800 4400
PL MAIL USER CODES: (A) (B) (C)

*ACTION CODES: *DISPOSITION *OUTGOING *
* * *CORRESPONDENCE: *
*A-APPROPRIATE ACTION *A-ANSWERED *TYPE RESP=INITIALS *
*C-COMMENT/RECOM *B-NON-SPEC-REFERRAL * OF SIGNER *
*D-DRAFT RESPONSE *C-COMPLETED * CODE = A *
*F-FURNISH FACT SHEET *S-SUSPENDED *COMPLETED = DATE OF *
I-INFO COPY/NO ACT NEC * OUTGOING *
*R-DIRECT REPLY W/COPY * * *
*S-FOR-SIGNATURE * * *
*X-INTERIM REPLY * * *

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

THE WHITE HOUSE

WASHINGTON

May 7, 1992

Dear Ms. Popkin:

Thank you for your letter to President Bush regarding U.S. policy toward Israel and the Middle East. The President appreciates having your views on this important issue.

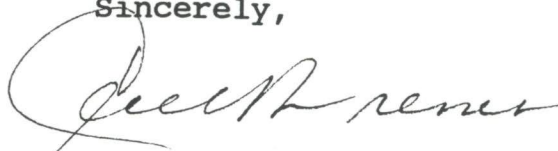
The people of Israel deserve and need peace. There finally is a peace process underway that is worthy of that name. It began in March 1991, when President Bush launched an initiative to bring about peace and reconciliation between Israel and her Arab neighbors. Since their first meeting in Madrid, the parties have met several times to negotiate directly with the objective of a comprehensive, just, and lasting peace based on UN Security Council Resolutions 242 and 338. The President and Secretary of State Baker remain committed to playing an active role in helping these negotiations to succeed while recognizing that the parties themselves must bear the primary responsibility in this regard.

There should be no question as to the continuing commitment of the United States to the peace and security of Israel. As President Bush said, "Our fundamental commitment to Israel is just that -- fundamental." Thus the Administration's disagreement with the Government of Israel on the issue of loan guarantees should not be viewed as placing fundamentals at risk. Having been in the forefront of efforts to ensure free immigration to Israel, whether from the former Soviet Union or Ethiopia, President Bush supports the principle of absorption assistance for Israel.

The Administration has been negotiating with Israeli officials and Members of Congress to design a loan guarantee program that would meet Israel's needs and be consistent with long-standing U.S. policy. The Administration believes that if we are to provide \$10 billion in

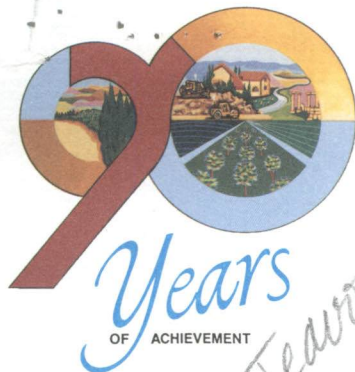
new loan guarantees to Israel, the United States must have assurances that these funds will be used consistent with post-1967 U.S. policy that settlements are an obstacle to peace. We believe that holding fast to this principle is especially important given the historic peace process underway.

Sincerely,

A handwritten signature in cursive script, appearing to read "Cecile B. Kremer". The signature is written in dark ink and is positioned above the typed name.

Cecile B. Kremer
Deputy Assistant to the President and
Director of the Office of Public Liaison

Ms. Ruth W. Popkin
President
Jewish National Fund
42 East 69th Street
New York, NY 10021



Jewish National Fund
(KEREN KAYEMETH LEISRAEL), INC.
42 East 69th Street
New York, New York 10021



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March 20, 1992

EXECUTIVE VICE PRESIDENT
Dr. Samuel I. Cohen

The Honorable George H. Bush
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

I am writing to express my dismay over your handling of Israel's request for loan guarantees to absorb thousands of Russian immigrants.

The loan guarantees were to be used for the housing, employment and social welfare of new Israeli citizens who have escaped years of repression in the former Soviet Union. Unfortunately, these guarantees have been arbitrarily linked to the settlements, a political issue.

In forging such a linkage, the Administration is unduly interfering in the delicate Middle East peace process now underway. The fate of the settlements can only be decided through negotiations. If the U.S. attempts to dictate the outcome, what is the point in negotiating? In addition, how can Israel trust the U.S. as a fair arbiter?

Finally, I do not think that Israel, a faithful friend of the U.S., deserves such treatment. Israel remains the only democratic ally in a region which is beset with continued turmoil and dictatorial regimes. Israel also showed great restraint in honoring the U.S. request that it not respond to Saddam Hussein's missile strikes at major cities.

I hope that you will reconsider your policy and provide humanitarian assistance to a loyal ally attempting the difficult task of providing for thousands of deserving men, women and children.

Sincerely,

Ruth W. Popkin

Ruth W. Popkin
President