

Yeltsin cuts off Sov arms

By ALAN COOPERMAN
The Associated Press

MOSCOW — Russian President Boris Yeltsin stripped the central Soviet government of much of its revenues and authority yesterday, a day after a majority of the 12 republics agreed to a decentralized political union.

Yeltsin ordered a cutoff of his republic's funding for about 80 ministries and agencies in President Mikhail Gorbachev's government starting Dec. 1 — two weeks later than previously announced.

The moves, expected for weeks, will force many central ministries to close and others to slash their staff and budgets by year's end. Their functions will be assumed by Russia and the other republics under the new union treaty tentatively agreed to Thursday by Gorbachev and Yeltsin and leaders of six other republics.

Among the first to feel the squeeze Friday were the once-powerful ministries of foreign affairs and foreign trade. They will be merged and half their employees fired, Foreign Minister Boris Pankin told the state news agency Tass.

Missions cut

The staffs of Soviet missions abroad will be cut "rather substantially" and trade missions eliminated, Pankin said.

Authorities said that after Dec. 1, Russia will provide funding only for the KGB and central ministries of defense, foreign affairs, railroads and atomic energy.

The fate of other key ministries, such as those responsible for finance, industry and agriculture, was unclear.

'Prince' throne in jail

LOS ANGELES — A flashy mobster called the Mafia Prince has been arrested for allegedly violating federal probation and will be charged with bilking banks and landlords, a prosecutor says.

Michael Franzese, a member of the New York-based Colombo crime family, had been living in rented Bel-Air mansions since his release from federal prison on probation in 1989 and at times posed as a movie producer.

District Attorney Ira Reiner said Thursday that he assumed Franzese, 40, was trying to set up an organized-crime organization on the West Coast.

"We do not assume that when Eastern mobsters come out here it's because of the weather," Reiner said.

Franzese is the stepson of one-time Colombo crime family underboss John (Sonny) Franzese. At one point, Reiner said, the Mafia Prince was bringing in \$1 million a month for the mob from illicit scams.

In 1986, Franzese was sentenced to 10 years in federal prison but served only three years after pleading guilty to conspiracy, racketeering and tax evasion in a gasoline fraud in New York and Florida, Reiner said.

The Associated Press

Maxwell honored

Friends of The David Yellin Teachers College



PLAQUE honoring late Daily News Publisher Robert Maxwell is accepted by News' Vice President John Campi (right). Honorary fellowship of the David Yellin Teachers College of Jerusalem was presented at a tribute dinner held

Thursday in New York City. Presenting the award are Sanford L. Batkin, chairman of the college's board (left), and Zahava Burack (center), dinner chairperson. Maxwell was hailed as a 'shining example of courage.'

ALAN AARONSON DAILY NEWS

MEETS WITH OFFICIALS IN BEIJING

U.S. can't ignore rights woes: Baker

By DONALD M. ROTHBERG
The Associated Press

BEIJING — Secretary of State Baker told Chinese officials yesterday the U.S. could not ignore human rights violations in China but then apparently decided against meeting with Chinese dissidents while in Beijing.

Baker met privately for more than four hours yesterday with Foreign Minister Qian Qichen, discussing a wide range of issues including human rights, nuclear proliferation, trade and the growing U.S. concern with North Korea's nuclear program, officials said.

A senior official traveling with Baker said the secretary had considered a meeting

with dissidents, "but no invitations were issued."

Baker is the highest-ranking U.S. official to visit Beijing since the 1989 crackdown on pro-democracy demonstrators badly strained relations between the two nations.

The senior U.S. official said Baker told Qian that freedom is an important prin-

ciple to Americans, that — in the official's words — "the United States cannot turn a blind eye toward the plight of human suffering and political repression."

The U.S. has given the Beijing government a list of 800 prisoners and asked that they be released. The Chinese have not replied to the request.

Postal Service to check all workers

BIRMINGHAM, Mich. (AP) — The Postal Service will review the backgrounds of all of the nation's 750,000 postal employees, the postmaster general announced yesterday, one day after a fired postman killed four bosses and then himself.

Postmaster General Anthony Frank also established a national hotline for employees to report threats. He said it would be difficult to stop a person intent on murder, but he said the Postal Service must try to avoid dangerous situations.

Wedtecher to go 'solo'

E. Robert Wallach, a close friend of former Attorney General Edwin Meese, will be retried separately from two co-defendants on Wedtech corruption charges, a judge decided yesterday.

In addition, Manhattan Federal Judge Richard Owen allowed the government to drop racketeering charges against all three defendants. Prosecutors said the counts were weakened by the reversal of the convictions.

Other charges alleging securities and financial frauds remain.

Assistant U.S. Attorney Baruch Weiss said financial advisers Dr. Rusty Kent London and W. Franklyn Chinn will be retried first. No dates were set.

The three were convicted of accepting illegal payments from Wedtech to influence Meese on federal contracts. The convictions were overturned. — Alex Michelini