

**ISRAEL AND POLAND TO UPGRADE
DIPLOMATIC REPRESENTATION**

By Yitzhak Rabi

NEW YORK, Oct. 2 (JTA) -- Israel and Poland have agreed to upgrade their diplomatic missions in Tel Aviv and Warsaw and to turn them into independent missions. The two missions are presently operating under the diplomatic sponsorship of the Netherlands.

The agreement was reached in a meeting Thursday night between Israeli Foreign Minister Shimon Peres and his Polish counterpart, Tadeusz Olechowski.

The 45-minute meeting, held at the United Nations Plaza Hotel, was Peres' last diplomatic meeting here before departing for Israel late Thursday night.

According to an aide to Peres, it was agreed that the new level of official ties between Israel and Poland will be defined in talks to be held soon by diplomats of both countries.

In addition, Peres and Olechowski also acknowledged that a high-level economic delegation from Poland will visit Israel in the near future, to discuss increased economic cooperation between the two countries.

Israeli diplomats said that the warming in relations between Israel and Poland could be seen as part of a general trend of improved relations between the Jewish state and the East European countries.

All of the Soviet bloc countries, except Romania, severed diplomatic ties with Israel following the 1967 Six-Day War.

Exchanges With Egypt

As part of that apparent thaw in relations, sources here disclosed that Abba Eban, the veteran Israeli statesman and Knesset member, will leave next month as the foreign minister's emissary for talks in Bulgaria, Hungary, Czechoslovakia and Yugoslavia.

Eban, according to the sources, will explain Israel's position in the Middle East and stress its desire for improved relations with these countries, on diplomatic, economic and cultural levels.

In his meeting Thursday afternoon with Egypt's Foreign Minister Esmat Abdel Meguid, Peres invited a delegation of Egyptian scientists to take part next month in a major scientific conference in Sde Boker.

Meguid invited Israel to participate in the Cairo commercial fair next March.

Speaking with reporters after the meeting, Meguid said the Egyptian high court in Cairo will rule in October on the issue of compensation to the families of the Israelis murdered two years ago by an Egyptian soldier in Ras Burka in the Sinai.

Both foreign ministers said that they discussed the Middle East peace process, expressing the hope that "some movement" will take place in the near future.

Meguid also said that he promised Peres that Egypt will step up its efforts to try to locate Israeli soldiers who have been missing in action since the Yom Kippur War.

Israeli officials could not say how many Israelis MIAs there are.

**U.S. WON'T SAY WHETHER IT PLANS
TO GRANT YASIR ARAFAT A VISA**

By David Friedman

WASHINGTON, Oct. 2 (JTA) -- The State Department continued to refuse to say Friday whether it would grant a visa to Yasir Arafat, head of the Palestine Liberation Organization, if he decides to address the United Nations General Assembly this fall. "He has not applied for a visa," State Department spokeswoman Phyllis Oakley said. "We don't speculate on hypothetical cases."

Her comments came after 51 senators sent a letter Thursday to Secretary of State George Shultz urging him to deny a visa to Arafat. A similar letter was being circulated in the House by Rep. Jack Kemp (R-N.Y.)

Among the signers of the Senate letter were the two vice presidential candidates, Sens. Lloyd Bentsen (D-Texas) and Dan Quayle (R-Ind.). The letter was initiated by Sens. Charles Grassley (R-Iowa), Patrick Leahy (D-Vt.), Dennis DeConcini (D-Ariz.) and Alfonse D'Amato (R-N.Y.)

"Arafat should be denied access to our country until he and the PLO renounce terrorism as a tool of foreign policy," the Senate letter said.

It also demanded that Arafat meet the conditions the United States has set since 1975 for contacts with the PLO -- recognition of Israel's right to exist and acceptance of U.N. Security Council Resolutions 242 and 338.

There has been a great deal of speculation that Arafat wants to address the General Assembly, probably in November, but he has so far not confirmed this.

The 1947 U.N. Headquarters Agreement requires the United States not to "impose any impediments to transit" for people coming to the United Nations for official business.

Under this agreement, Arafat was allowed to come to New York in 1974 to address the General Assembly, which he did wearing a pistol strapped to his side.

However, Reagan administration officials have maintained that despite the headquarters agreement, they can deny a visa to anyone considered to "pose a security threat."

This right was exercised in September when the State Department refused a visa to Carlos Tunnermann, whose credentials as Nicaragua's ambassador to Washington had been withdrawn earlier this year.

**BEHIND THE HEADLINES:
DESPITE 'IT'S NOT OVER' CROWD,
ISRAEL WON'T CONTEST TABA RULING**

By David Landau

JERUSALEM, Oct. 2 (JTA) -- "It's not over" was the instinctive, defiant, wistful reaction in some Israeli quarters at the news last week that an international panel of arbitrators had favored Egypt in its ruling on the Taba border dispute.

These insistently hopeful Israelis clung to the fact that the five arbitrators had determined the location of only the border pillars, with the last pillar being some 990 feet from the sea.

The arbitrators themselves ruled that they

were not authorized under their terms of reference to decide on the borderline beyond pillar 91, the last marker.

Rear guards seized on this as indicating there was still some leeway, namely the area between the last pillar and the sea. The final line might yet be moved around, they argued fondly.

Perhaps, they reasoned, some of Tabá's half square mile of sand might remain in Israel's hands -- maybe even, by some geographical gymnastics and diplomatic sleight-of-hand, the luxury Avia Sonesta Hotel that is the site's main asset.

That was the view, for instance, of Eli Papouchado, main owner of the hotel. He was backed by the Eilat town council and by a raucous demonstration of Tehiya and Likud activists, which failed to engage the interest or enthusiasm of the "beautiful people" sunbathing on the beach nearby.

Coupled with these fond and ultimately vain hopes came a slew of recriminations, mainly focused on Foreign Minister Shimon Peres and his Labor Party, as though they had conspired with Egypt to rob Israel of the tranquil beach site.

Shamir Is Cautious

The "it's not over" camp incorporated a number of electioneering politicians from the parties of the right, a number of ill-informed journalists and even one adviser to the Israeli team at the arbitration, Professor Yehuda Blum, a former ambassador to the United Nations.

"Tabá is not yet lost," Blum was quoted as saying in the weekend Maariv. He spoke in Geneva, after attending the brief, formal award ceremony in Geneva's Grand Council Chamber.

Significantly, though, Prime Minister Yitzhak Shamir himself and his top aide, Yosef Ben-Aharon, were cautious and reserved in their comments.

Shamir did blast Labor for forcing the Cabinet to agree to arbitration back in 1986. But, he added pointedly, "Tabá will not cause a deterioration in the relations between Israel and Egypt."

And Ben-Aharon, who has led the fight in Israel against any concession to Egypt over Tabá, made it clear in his comments to the news media that he regards the area as lost, as far as sovereignty is concerned.

He and other Israeli policy makers would like now to obtain as favorable conditions as possible for future tourism from Israel to Tabá, and for the hotel and other Israeli-owned property on the site.

Likud Minister-Without-Portfolio Yitzhak Modai also went on record Thursday dismissing any loose talk of challenging the arbitrators' ruling in letter or spirit. He said the remaining issue was now commercial -- to reach a fair accord regarding the property rights.

And another Israeli delegation adviser, Professor Yoram Dinstein of Tel Aviv University, opined unequivocally that "It is all over. We have lost Tabá."

Cairo Is Conciliatory

On the Egyptian side, too, there has been a distinct and well-orchestrated effort not to exacerbate tension, but rather to assume, in public statements, that the arbitrators' ruling would now be smoothly and amicably implemented.

This was the thrust of comments by Foreign Minister Esmat Abdel Meguid after his meeting with Peres in New York on Thursday night.

In Cairo, the Egyptian minister of state for foreign affairs, Dr. Butros Ghali, termed the decision "not a victory for either side, but a consolidation of the peace process."

The Egyptian Foreign Ministry made a point on Thursday of denying that an earlier leak, threatening a crisis if Israel dragged its heels over Tabá, was "not stated or authorized by any Egyptian official."

Privately, indeed, Egypt has indicated that it would be ready to suspend the implementation process until after the Israeli election, if this would contribute to cooling the atmosphere.

The clarifications and negotiations in the weeks ahead, therefore will focus on the nuts and bolts of the transfer of sovereignty to Egypt. There will be no serious attempt to challenge that transfer itself.

To ensure that this will indeed be the way the last act unfolds -- and that there will be no renewed tensions between the two countries -- the United States at week's end issued a carefully worded statement welcoming the fact that the Tabá dispute had now been "amicably resolved."

It urged the parties to implement the decision of the arbitrators fully, quickly and in good faith.

The panel of arbitrators, too, has deftly contributed to ensuring that the Tabá final act passes smoothly.

Ruling On Other Points

In their written decision, while conceding that they have no authority to decide the line beyond pillar 91, they nevertheless record at some length their own view that the line should drop perpendicularly to the sea, meeting the coast at a point known as Parker Point.

This would give Egypt a tiny sliver less than it demands. Egypt argues that the borderline should continue in a straight line from pillar 90 to pillar 91 to the sea.

The United States, in discreet diplomatic communications before the formal award was announced, informed the parties that if the arbitrators gave their support to the Parker line, Washington would strongly support it too.

That line is far wide of the Sonesta Hotel, meaning the hotel and 98 percent of the Tabá site would go to Egypt. Only the tiny sliver of land to the north of Parker Point would remain in Israeli hands -- thereby exactly duplicating the situation that existed on the ground before June 5, 1967.

Apart from the award of the bulk of Tabá to Egypt, and the finding regarding Parker Point, the panel of five jurists made the following additional adjudications:

- Five small disputed points along the Sinai-Israel borderline were decided in favor of Egypt.
- Four such points were decided in favor of Israel.
- The larger disputed area of Ras en-Nakeb, which overlooks the Tabá-Eilat region, was decided in favor of Egypt.

The Israeli member of the panel, Professor Ruth Lapidot, entered dissenting judgments on Tabá and Ras en-Nakeb. The rulings on the nine small points were unanimous.

Because of the Shemini Atzeret and Simchat Torah holidays, JTA will not publish the Daily News Bulletin on Tuesday, Oct. 4 and Wednesday, Oct. 5. We wish our readers a Chag Sameach.

SUIT FILED AGAINST JNF SEEKS FUNDING BEYOND THE 'GREEN LINE'

By Howard Rosenberg

WASHINGTON, Oct. 2 (JTA) -- The Jewish National Fund of America has been ordered by a New York state court to respond to a class-action suit that accuses it of misleading American Jews into believing JNF allocates funds to Jews living in areas Israel captured during the Six-Day War of 1967.

Affidavits from the four plaintiffs in the lawsuit, who swore they have made donations to the JNF, charge that since 1967, they have been misled by JNF "circulars, brochures and literature disseminated to the general public (that) falsely and fraudulently and/or at the very least misled" contributors into believing that it allocates funds beyond Israel's 1948 boundaries.

State Supreme Court Judge Shirley Fingerhood signed a show-cause order Sept. 19 requiring JNF to appear in court Oct. 5. That date has been moved to Oct. 12 because of the Jewish holidays. In the New York state court system, the Supreme Court is the trial court of general jurisdiction, rather than the highest appellate court.

Fingerhood's order calls on the JNF to refrain in the interim from expending "any and all contributions given to JNF by the named plaintiffs."

The judge originally had barred JNF from "making, publishing, distributing and disseminating" fund-raising materials in the interim. But she struck this provision to protect JNF's First Amendment right to free speech, sources said.

The four plaintiffs -- Jay Marcus, William Goldman, Morris Stillman and Martin Gallin -- have made "substantial contributions" to the JNF, totaling about \$50,000, according to Howard Rubin, a senior partner in the New York law firm of Rubin & Juhase, who is the chief attorney for the plaintiffs in the case.

Sources who would not speak for attribution said that three of the plaintiffs have made only small contributions to the organization, which provides funds for the afforestation, reclamation and development of land in Israel.

UJA And UIA Also Targeted

The United Jewish Appeal and the United Israel Appeal, the main distributor of UJA funds, also do not fund projects in annexed East Jerusalem, the Golan Heights, the West Bank and the Gaza Strip, in part because of fear of jeopardizing their U.S. tax-exempt status.

Rubin said that he has drafted complaints against the others but that he is holding off until after he meets Oct. 7 with the UJA and UIA to see if their differences can be resolved without litigation. He asserted that his case against JNF was "the strongest" of the three.

Rubin said that his clients want to see the three groups allocate 10 percent to 15 percent of their money to Israel beyond the so-called 1948 armistice "Green Line."

In addition, they are seeking a "lump-sum settlement" to compensate the 185,000 Jews they claim are living beyond the "Green Line," for JNF's past exclusionary practices.

The plaintiffs are also calling on JNF to pull all advertisements that effectively assert that its allocations "cover the map of Israel."

The UIA distributed \$328 million in Israel during the year ending March 31, 1988, while JNF dispensed \$21.5 million there in 1987.

Rubin said that UJA and UIA, unlike the JNF, responded to the three summonses issued earlier this year by the rabbinical court of the Union of Orthodox Rabbis of the United States and Canada.

'Without Basis Or Merit'

A group calling itself the Ad Hoc Committee for UJA and JNF Funding for Jews of Jerusalem, Judea, Samaria, Gaza and the Golan Heights had asked the rabbinical court to rule on the validity of the philanthropic organizations' reasons for not funding Jewish causes in East Jerusalem and the administered territories.

According to rabbinic law, if a defendant refuses to appear on three occasions, then it can allow the plaintiffs to seek remedy in a civil court. None of the three organizations actually appeared before the rabbinic court, but UJA and UIA provided written responses to the summonses, according to Rubin.

The ad hoc group has since changed its name to the Ad Hoc Committee for Jewish Survival in Jerusalem, Judea, Samaria, Gaza and the Golan Heights. It is co-chaired by Michael Teplov, national director of Tehiya USA, the U.S. branch of the ultranationalist Israeli political party.

Stuart Paskow, JNF director of communications and information, said Friday that the civil lawsuit is "totally without basis or merit, and I am very, very satisfied to let it be decided in the courts."

Andrew Bronzman, a partner in the New York law firm of Anderson, Russell, Kill & Olick, which is defending JNF, said the case "does not appear to have any substance to it."

Previous lawsuits against the groups were dismissed because those bringing them were not granted legal standing, Irving Kessler, former UIA executive vice chairman, said in a comprehensive interview with the JTA earlier this year. Current UIA officials would say little about the case Friday.

Paskow said that it appears safe for tax-exempt groups to pass funds beyond Israel's 1948 borders, but that his group's tax counsel "is not totally convinced" it will always remain legal.

Tax-Exempt Status At Issue

Stephen Weidman, who until a week ago was an attorney in the charitable contributions section of the Internal Revenue Service, told JTA in an interview earlier this year that the IRS has never revoked an organization's tax-exempt status because it sponsored humanitarian projects abroad.

Weidman said that while tax-exempt groups cannot send weapons abroad, such as to the Contra rebels in Nicaragua, other types of aid, such as for food and shelter, are permitted, as long as U.S. citizens, and not foreigners or foreign governments, retain control over the money.

The UIA, but not JNF, argues that its letter of incorporation filed with the IRS limits its mandate to Israel's 1948 borders.

Kessler said that UIA lawyers advised him against changing the letter of incorporation, because it might be challenged in court.

Attorney Rubin said that the plaintiffs donate funds to, and are on the boards of, Jewish groups that receive funds across the Green Line.

Rubin said he and his clients are not looking to "kill" JNF, because "they do a lot of good work."

**KITTY DUKAKIS TALKS TO SHUL
ABOUT PLO STATE, INTERMARRIAGE**
By Tom Tugend

LOS ANGELES, Oct. 2 (JTA) -- If Michael Dukakis is elected president, he will never accept a unilaterally declared Palestinian state nor a role for the Palestine Liberation Organization, unless it fully renounces terrorism.

The assurance was given here by Kitty Dukakis, often described as her husband's closest confidante. She was addressing 1,600 enthusiastic listeners at Wilshire Boulevard Temple.

"I have been married to Michael for 25 years and 2 months, and I can tell you that he has never wavered in his support of Israel," Dukakis said. "He feels that Israel's fate is our fate and if Israel is threatened, all of us are threatened."

Dukakis' voice rose as she declared emphatically that her husband "has never made and will never make a secret deal with anyone."

The remark apparently sought to reassure the predominantly Jewish audience that Michael Dukakis had not enlisted the support of the Rev. Jesse Jackson by trucking to the black leader's pro-Palestinian views.

Kitty Dukakis, who is Jewish, told guests at a closed reception preceding the talk that she and her husband should not be looked upon as role models on questions of intermarriage.

She did not expand on the statement, but some participants interpreted it to mean that her marriage to a non-Jew was a matter of personal choice that should not be generalized to serve as guidelines on the pros and cons of intermarriage.

Dukakis has a son, John, from her first marriage, who is Jewish. Two other Dukakis children, Andrea and Kara, have been exposed to both her Jewish and the governor's Greek Orthodox upbringings.

But Rabbi Harvey Fields, religious leader of the host Reform congregation, was more struck by his guest's obvious pride in her Jewishness and her fond recollections of her grandparents, who came to America from a small shtetl near Kiev.

"She emphasized how proud she would be to hold the first seder in the history of the White House," he said.

**IN SEOUL, NO MEDALS FOR ISRAEL,
BUT HOPE OF BETTER RELATIONS**
By Hugh Orgel

TEL AVIV, Oct. 2 (JTA) -- Israel won no medals at the 24th Olympic Games in Seoul, South Korea, but several of its 20-member team turned in "highly respectable" performances.

That was true in the Flying Dutchman class yacht races off Pusan, where Yoel Selah and Eldar Amir came in fourth out of 22 boats. They missed a bronze medal by only a few points.

Yaacov Shmuel, boxing in the lightweight division, was graded fifth to eighth place. He made the quarter finals after a knock-out win, but lost a decision to an Italian pugilist, who went on to win a gold medal.

In wrestling, Even Bernstein made 11th to 13th place among 22 entrants.

And gymnast Roitel Sharon, who placed 77th out of 90 competitors, went on to win the title of "Miss Popularity" at an unofficial beauty contest among the women athletes to choose a "Miss Olympics."

Meanwhile, Israeli diplomats are confident

that political and economic ties with Korea can be strengthened, now that the stresses and strains of hosting the Olympics are over in Seoul.

The new Israeli ambassador, Nahum Eshkol, presented his credentials to the Korean president shortly before the games opened last month. But further contacts were put on hold because the Koreans were preoccupied with the Olympics.

The Israelis admit they made a mistake by closing down their diplomatic mission in Seoul more than 10 years ago.

Boxing Ban May Be Reduced

The Koreans regarded that move, done for economic reasons, as a slight. They were angered further by Israel's decision to name its resident ambassador in Tokyo the non-resident envoy to Korea.

When the Israelis sought to resume diplomatic and economic relations in recent months, the Koreans put them off, for fear of antagonizing the Arab Olympic participants and increasing the danger of terrorist attacks during the games.

In another development, Yitzhak Ofek, chairman of the Israel Olympics Committee reported that the five-year ban on the Israel Boxing Association's participation in international tournaments could be reduced to one year.

The ban was imposed after Israeli boxers competed in South Africa, which is boycotted by the International Boxing Association because of its apartheid policies.

Ofek said he understood from a conversation he had in Seoul with Anwar Chowdry, International Boxing Association chairman, that chances are good Israeli boxers will be able to participate in the 1992 Olympics in Barcelona.

He said Chowdry advised Ofek that Israel should request a reconsideration at the next meeting of the association in Kenya. "I can give you my word of honor I will support a reconsideration request," he quoted Chowdry as saying.

**REFUSENIK ON RARE VISIT TO WEST
APPEALS AT RALLY FOR U.S. SUPPORT**
By Marlene Goldman

NEW YORK, Oct. 2 (JTA) -- Galina Zelichonok, one of the few Soviet refuseniks to be granted a temporary visitors visa to the West, and the first to speak out in public abroad, quietly thanked a crowd rallying for Soviet Jewry for its continued support.

"It's a very strange feeling because I can't believe that I have the opportunity to be here, to see the people who support and help us," said Zelichonok. She and her husband, Roald, a former prisoner of Zion, have been refused permission to emigrate for 10 years.

Zelichonok, whose remarks ended with the familiar words "This year in Jerusalem," appeared with 75 demonstrators Sunday at a pre-Simchat Torah Celebration of Solidarity with Soviet Jewry and Israel at the Isiah Peace Wall, across from the United Nations.

Another speaker at the small but sprightly rally, 19-year-old Elena Sheiba, appealed for help in trying to pressure the Soviet government to allow her parents, Lev and Vera Sheiba of Leningrad, to emigrate.

The rally was sponsored by the Student Struggle for Soviet Jewry, the Zionist Organization of America and the Long Island Committee for Soviet Jewry.