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AIPAC DENIES ROLE IN PARTISAN ACTIVITIES ON BEHALF OF ISRAEL By David Friedman

WASHINGTON, Oct. 13 (JTA) -- The American Israel Public Affairs Committee has been

vigorously asserting this week that it does not participate in partisan political activities as part of its lobbying on behalf of Israel. AIPAC is seeking to counter a report on CBS-TV's "60 Minutes," due to be aired in com-

ing weeks, which charges that it directs pro-Israel political action committees in their contributions to candidates running for the U.S. Senate and House of Representatives.

Despite the fact that "PAC" forms part of AIPAC's name, the organization is not a political action committee. PACs donate money to political candidates. AIPAC is a non-partisan, registered foreign lobby for Israel in Washington.

The "60 Minutes" report, by Mike Wallace, is expected to focus on the Senate race in Rhode Island, where Richard Licht, the Democratic lieutenant governor, is running against the incumbent, Sen. John Chafee, a Republican. Money from pro-Israel PACs has gone almost exclusively to

Wallace apparently has an internal memo from AIPAC that he says proves the organization has been urging financial support for Licht. The memo, which has been made public by the Washington-Jewish Week and The Washington Post, also reportedly urges reporters to ask the Rev. Jesse Jackson if he has had extramarital affairs.

In addition, Wallace also reportedly has been drawing attention to attacks on Chafee led by Morris Amitay, a former executive director of AIPAC and a member of its executive committee.

## 'We Do Not Endorse Candidates'

Amitay, a pro-Israel lobbyist and treasurer of the Washington Political Action Committee, has criticized Chafee's record on Israel and arms sales to Arab countries, both in interviews and in a column he writes for Jewish weekly newspapers.

Asked in a telephone interview whether AIPAC has urged him to make such attacks, Amitay responded: "Do you think I have to get

guidance from anyone?"

Noting that he has been involved in pro-Israel causes on Capitol Hill for 20 years, Amitay said, "I know the people intimately," as well as

their voting records.

Rabbi Israel Miller, an AIPAC vice president interviewed by Wallace, said in a telephone interview that he told the CBS journalist AIPAC does "not coordinate PACs, we do not rate candidates, we do not endorse candidates."

What AIPAC does is to provide information on incumbents' voting records on issues of concern to the Jewish community, Miller said.

"We are not anti-Chafee," Miller maintained. He said AIPAC has merely put Chafee's votes on the record. He noted that while the senator from Rhode Island has voted for Arab arms sales, he also has voted for aid to Israel.

When Wallace asked Miller about the \$170,000 in pro-Israel PAC funds that have gone to Licht, Miller said he replied that "Licht has many friends in the Jewish community."

"We deal with a very politically aware and sophisticated audience," Miller said he told Wallace. "Our people make up their own minds." He said the Jewish community is not monolithic. Everyone does not think alike, nor do they vote

Miller conceded that AIPAC was concerned about the upcoming "60 Minutes" program, as would be any individual or organization targeted by the hard-hitting investigative program.

#### No Hard Evidence

Toby Dershowitz, AIPAC director of media relations, said "60 Minutes" has no evidence that AIPAC coordinates or directs pro-Israel PACs. Instead, she charged that all it has is previously published allegations.

The memo that "60 Minutes" obtained was dated Nov. 3, 1987, and was written by Brenda Pearson, a junior member of AIPAC's political department, to Barbara Amouyal, who was media relations director at the time. Both Amouval and

Pearson have since left AIPAC. The memo urges that reporters for Jewish papers generate stories to get the Jewish community interested in Licht's race and to raise

questions about Jackson's fidelity.

According to AIPAC officials, Amouval asked Pearson for a memo in order to suggest news stories to journalists she accompanied on an American Jewish Press Association trip to Israel.

The memo listed Licht and the Republican and Democratic candidates for president who were running at the time. It suggested that they be asked about their positions on the Middle East.

## 'Spill The Beans On Jackson'

The part on Jackson reportedly says AIPAC has enough information to "spill the beans on Jackson's extramarital affairs and finances of his PUSH operations." But it also cautions journalists not to solicit this information.

Amouyal reportedly did not use the memo on the trip. Now a reporter for Defense News, she was on assignment in Texas this week and could

not be reached for comment.

Thomas Dine, AIPAC's executive director, issued a statement saying that "no one in a position of responsibility approved the memorandum in question." Other AIPAC officials said no top leader of AIPAC knew of its existence until it became public.

This was confirmed by Rabbi David Saperstein. Washington representative of the Union of America Hebrew Congregations, who was in the AIPAC office when its leading officials learned of the memo and began searching for it.

He said that "unless they were putting on a charade for my benefit," they had no idea the memo existed. He said they spent a hectic two hours scarching for it during a time when the office was very busy.

In his statement, Dine declared that "AIPAC has not, does not and will not engage in attacks on the personal lives of political candidates or anyone else."

He added that Jackson's "personal life is not and never has been the subject of discussion or action at any decision-making level of our organization."

#### KAHANE APPEALS PARTY BAN; 'I AM NOT A NAZI,' HE STATES By Gil Sedan

JERUSALEM, Oct. 13 (JTA) -- "I am neither a Nazi nor a racist," Knesset member Meir Kahane told the High Court of Justice Thursday.

Kahane was appealing an almost unanimous decision by the Central Election Committee last week, which barred Kach from running in the Nov. 1 Knesset elections on grounds that it is racist and opposed to the country's democratic institutions.

The decision was grounded in an 1984 amendment to the Basic Law, which bans parties that engage in racial incitement. The court is expected to announce its decision next Tuesday.

The controversial New York-born rabbi insisted that the ideas his Kach party espouses are rooted in the Torah.

Kahane appeared before the court with his attorney, Aharon Pappo.

Deputy Attorney General Dorit Beinish, arguing for the state, submitted as evidence bills Kahane introduced in the Knesset and quotations

from Kach literature.

She said they proved the party is "racist, contrary to the democratic character of the

These included proposed legislation that would make intermarriage or cohabitation between Jews and non-Jews a criminal offense; would separate Jews from gentiles at beaches; and would deny non-Jews the right of appeal to Israel's supreme court.

"Everything (I say) is based on halacha and the Bible," said Kahane. "This is not an attempt to ban Kahane, but rather a Judaism which is thousands of years old."

His lawyer was more circumspect, claiming that the media was biased against Kahane and

therefore took his remarks out of context.

He insisted that Kach is not undemocratic
"because it does not question the structure of
elected agencies and the elections to the Knes-

The movement "is not racist because racism can only be interpreted on a biological and hereditary background," Pappo contended.

Meanwhile, the Likud and Tehiya parties were expected to submit Friday an appeal to the High Court of Justice against the decision of the Central Elections Committee to allow the predominantly Arab Progressive List for Peace to take part in the elections.

#### SHAMIR AND PERES TO GO FACE TO FACE IN TV DEBATE By Cathrine Gerson

JERUSALEM, Oct. 13 (JTA) -- Premier Yitzhak Shamir and Foreign Minister Shimon Peres, the two candidates for prime minister, will meet face to face in a television debate on Oct. 23, nine days before the Knesset election.

Nissim Mishal, Israel Television's Washington correspondent, has been named moderator, but he must be confirmed by the chairman of the Israel Broadcast Authority, Uri Porath, and by Justice Eliezer Goldberg, chairman of the Central Election Committee.

The debate will last 30 minutes. A drawing will decide which candidate answers the first and last questions. It is still undecided whether the candidates will get the questions in advance.

#### RABIN SAYS PALESTINIANS ALONE ARE NOT NEGOTIATING PARTNERS By Hugh Orgel

TEL AVIV, Oct. 13 (JTA) -- Defense Minister Yitzhak Rabin has dismissed the Palestinians as negotiating partners in peace talks, and reaffirmed his policy of "breaking bones" and "leaving scars" to suppress the 10-month-old uprising in the administered territories.

Rabin was in a tough-talking mood at a luncheon meeting of the Foreign Press Association Wednesday.

Responding to a formal complaint over the closure of areas to foreign reporters, he told the assembled journalists that events in the West Bank and Gaza were more fully covered by the news media than the Falkland Islands war, the American invasion of Grenada or the current disturbances in Algeria.

According to Rabin, the Middle East conflict can be resolved only by political negotiations and the only partner for such talks with Israel is Jordan.

The cooperation of Palestinian residents of the administered territories is possible, Rabin said, but separate talks with Palestinians could lead to no more than interim agreements.

Moreover, any Palestinians who wanted to negotiate interim agreements would have to be residents of the West Bank and Gaza Strip, Rabin said, not "foreign elements" directing "terrorism" from Tunisia, Algeria or elsewhere, a reference to the Palestine Liberation Organization.

Rabin said the unrest must be cut down and tranquility restored to the area before peace talks can begin.

He warned Palestinians they could never

achieve their aims through violence.
While conceding that they have ample supplies of rocks, and enough bottles to make gasoline bombs to keep the uprising going, Rabin threatened dire consequences if they persist.

He defended the use of lethal and near lethal force to quell disturbances, saying Palestinian rioters have to learn they cannot attack the Israel Defense Force with impunity.

He said the Labor Party's policy is to continue the military presence in the territories,

acting within the limits of the law.

Rabin suggested that despite his hard policies, Israeli Arabs would do better to vote for Labor in next month's Knesset elections than Likud.

"If they vote for the other major party," Rabin said, "they should consider who they are going to get in my place as defense minister if the other party comes to power."

He mentioned no names, but the probable alternative is Ariel Sharon.

## ISRAELI TOURISM DOWN 13 PERCENT By Hugh Orgel

TEL AVIV, Oct. 13 (JTA) -- Tourism to Israel declined 13 percent in the first nine months of 1988, compared to the same period of the previous year, the Central Bureau of Statistics reported Thursday.

It has increased slightly in the past three months, compared to the April-July level, but is still running 20 percent below the same threemonth period of 1987.

About 80,000 tourists visited Israel in September.

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#### JEWS STILL FAVOR DEMOCRATS, BUT ANTI-SEMITISM IS A CONCERN By Andrew Silow Carroll

NEW YORK, Oct. 13 (JTA) -- The majority of Jewish voters continue to favor a Democrat for president over a Republican, according to a survey conducted in April and May on behalf of the American Jewish Committee.

But despite their consistently liberal views on a host of domestic issues, those voters are showing an increased anxiety over anti-Semitism that may guide their selection on Election Day,

an analyst said.

"To what extent Jews will perceive anti-Semitism on either side will be a key factor" in the upcoming election, said Steven Cohen, professor of sociology at Queens College in New York, who conducted the study of Jewish political attitudes and values.

He discussed his study Wednesday at a news conference at AJCommittee offices here.

His analysis is based on two simultaneous surveys -- one dealing with 1,252 Jews and the other with 1,217 non-Jews -- by Market Facts

Inc., a national research organization.

The survey found that Jewish Democrats outnumbered Republicans 61 percent to 14 percent, or better than 4-1; and Jews overwhelmingly favored a Democrat over a Republican for president, 58 percent to 16 percent.

But support for both parties dipped when Jews were asked about the influence on their parties by Jesse Jackson and Pat Robertson, former candidates for, respectively, the Democratic and Republican presidential nomination.

Fifty-nine percent said Jackson was anti-

Semitic, and only 10 percent disagreed.

When asked how they would vote if Jackson became the Democratic vice presidential nominee, Jews gave a majority vote to the Republicans, 44 percent to 24 percent.

Likewise, 41 percent said Robertson was anti-Semitic, and support for the Democratic candidate increased to a 59 percent to 10 percent margin when Jews were asked about Robertson as a vice presidential nominee.

Cohen said the results were consistent with a separate finding, which showed that threequarters of those Jews surveyed believe anti-Semitism is a serious problem -- a far greater proportion than he found in surveys conducted in 1983, 1984 and 1986.

Jews remain "extraordinarily liberal" in terms of support of social issues, including legalized abortion, the rights of homosexuals, and the separation of church and state, said Cohen.

But their votes, he said, may well be influenced by who is perceived as the more anti-Semitic, the conservative Republicans or the liberal Democrats.

## POLL OF ISRAELIS REFLECTS MIXED VIEWS ON TERRITORIES

NEW YORK, Oct. 13 (JTA) -- Israelis, by a margin of 65 percent to 32 percent, favor territorial concessions in exchange for peace.

But they view a demilitarized independent Palestinian state as a threat to Israel's existence by 64 percent to 23 percent; and by 64 percent to 32 percent, would not negotiate with the Palestine Liberation Organization even if it renounced terrorism and recognized Israel's right to exist.

At the same time, 53 percent of Israelis

think not enough force is being used to quell the Palestinian uprising in the West Bank and Gaza Strip.

These were some of the results of a public opinion poll taken in Israel between Aug. 25 and Sept. 1 on behalf of the Anti-Defamation League of B'nai B'rith.

The survey was conducted by Penn & Schoen Associates of New York, assisted by Dahaf, an Israeli polling organization.

The opinions came from a random sampling of 1,200 Israeli Jews of diverse political, social, ethnic and religious backgrounds. The poll's margin of error was plus or minus 3 percent.

Commenting on the results, Burton Levinson, ADL national chairman, noted that while Israelis are clearly ready to make concessions to achieve peace, they place limits on concessions where their security is threatened.

This was indicated by the breakdown of the 65 percent ready to trade land for peace.

Only 17 percent of them believed Israel should withdraw to its pre-1967 borders in return for security guarantees, and no more than 14 percent agreed that Israel should share rule of the territories with the Palestinians or Jordan.

The largest segment, 34 percent, thought Israel should withdraw partially from the territories while maintaining a military presence

By 71 percent to 26 percent, Israelis were opposed to giving up all of the territories, even for peace and security guarantees.

The 32 percent opposed to any concessions favored annexation of the West Bank and Gaza.

According to the poll, 60 percent agreed Israel's security would be better served by giving up part of the territories for peace than by retaining all of them without peace. Thirty-nine percent disagreed.

A change in the status quo was favored by 64 percent and opposed by 32 percent. Direct negotiations with Palestinian representatives was favored by a 60 percent to 37 percent margin.

Israelis approved the way the security forces are dealing with the Palestinian uprising by a majority of 58 percent to 40 percent. Only 15 percent thought excessive force was being used.

On the question of the status of Jerusalem, Israelis almost approached unanimity. Ninety-two percent said they would not give up their capital under any circumstances, 7 percent would consider the idea and 1 percent had no oninion.

#### NUKE PLANT PLANNED FOR 21ST CENTURY By Gil Sedan

JERUSALEM, Oct. 13 (JTA) -- Israel's electric corporation will operate a nuclear power plant by the beginning of the next century, and at least 80 percent of its components will be manufactured in Israel, Energy Minister Moshe Shahal told reporters on Thursday.

Israel is one of the world pioneers in developing the next generation of nuclear reactors, Shahal said, and that Israel's nuclear power stations will consume locally produced uranium.

Two government companies, Israel Electric Corp. and Israel Chemicals, as well as the local coal company, reached agreement Thursday to establish a uranium and phosphates plant on the Rotem plateau in the Negev.

It is expected to start production in two years. It will sell its processed uranium abroad until the first nuclear power plants open in Israel.

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#### STEINSALTZ IN MOSCOW TO OPEN JUDAIC CENTER

NEW YORK, Oct.13 (JTA) -- Rabbi Adin Steinsaltz, a renowned Talmudic scholar from Jerusalem, arrived in Moscow Wednesday to negotiate the final touches of an agreement to open a Judaic Studies Center in the Soviet capital.

The announcement was made by the Aleph Society Inc., which was founded by Steinsaltz here last spring to coordinate financial and other assistance for his activities around the world.

The Judaic Studies Center, which will also serve as the first rabbinical seminary in the USSR, is currently his major project. It is expected to be inaugurated next year.

The agreement in principle for the Judaic Center was reached last May with the Soviet Academy of Sciences.

It provides for an institution, staffed initially by Western scholars, to train a new generation of Soviet Jewish scholars and rabbis.

Its opening would represent a dramatic change of policy in the Soviet Union, where Jewish culture has been discouraged since the Bolshevik revolution.

Another unprecedented gesture is the invitation the Academy of Science has extended to Steinsaltz, an Israeli citizen, to deliver a series

of public lectures on religion.

Steinsaltz is in Moscow as head of a delegation of historians, manuscript experts and computer specialists from Canada, Denmark and France. Their host is Evgeny Velikhov, vice chairman of the Academy of Sciences.

The agreement reached also provides for the rabbi to establish an organization to work in partnership with Soviet institutions to catalogue collections of ancient manuscripts, rare books and other materials.

Libraries cooperating in the project include the U.S. Library of Congress, the New York Public Library, the Royal Danish and Geneva libraries, and those at YIVO, Cambridge, Boedlein, and the Sorbonne.

The society is a private, non-profit organization. Jack Nash and Ludwig Bravman, both New York businessmen, are chairman and president, respectively.

#### REPORTS OF INCREASED TIES BETWEEN ISRAEL AND CHINA By Hugh Orgel

JERUSALEM, Oct. 13 (JTA) -- Signs have proliferated in recent days that Israel and the People's Republic of China are moving toward trade agreements and other forms of cooperation, though formal diplomatic relations still seem beyond the horizon.

According to Haaretz, the director general of the Foreign Ministry, Avraham Tamir, made a secret visit to Peking this year and reached a agreement with Chinese officials to expand economic ties and proceed toward diplomatic relations.

Tamir admitted "there have been contacts," but refused to comment on his reported trip. The Chinese government has denied there

are any plans for expanded relations with Israel.

To some China-watchers, the denial may signify just the opposite.

The Haaretz report said a representative of an Israeli coal company will leave for Peking within a week to discuss buying coal from China.

The Ministry of Energy and Infrastructure recently received a proposal to buy oil from that country, and passed it on to an Israeli fuel company, Haaretz said.

The proposal was conveyed by a new trading company, which was established to examine the possibility of economic cooperation between Israel and China.

Al Hamishmar reported that the first official economic delegation from China will visit Israel next week

It was reported earlier this week that China had agreed to allow Israel to open an academic liaison office in Peking, which would also deal informally with economic projects and business issues.

#### BANKERS TRUST MEETS WITH KOOR TO IRON OUT FINANCIAL DEBT By William Saphire

NEW YORK, Oct. 13 (1TA) - A delegation of Israeli bankers is meeting with officials of Bankers Trust Co. here in an attempt to save the giant Histadrut-owned Koor Industries of Israel from liquidation to satisfy an unpaid debt.

Talks began Wednesday at Bankers Trust headquarters in Manhattan and are continuing.

Tom Parisi, senior vice president for communications at Bankers Trust, told the Jewish Telegraphic Agency he was not familiar with the details of a plan worked out by the Israeli government and the leading banks to save Koor.

He said a statement was to be issued late Thursday.

Koor, a vast conglomerate in deep financial difficulties recently, owes Bankers Trust \$150 million

It defaulted on a \$20 million payment due earlier this month and the New York bank, its largest overseas creditor, petitioned a Tel Aviv district court for relief.

According to reports from Tel Aviv Thursday, senior officials of Koor are confident they can persuade Bankers Trust to accept Israel government securities in lieu of the money owed it.

In addition, the government proposes an infusion of tens of millions of dollars into Koor in exchange for a stake in the company, now wholly owned by the trades union federation.

Koor, which employs nearly 30,000 workers, is said to account for some 10 percent of Israel's gross national product and a large share of its exports. Its collapse would be an economic disaster for Israel.

Premier Yitzhak Shamir, whose Likud bloc is in the midst of a fierce election campaign against the Labor Party, holds no brief for Koor. Its parent, Histadrut, is Labor-dominated.

But Shamir nevertheless has stressed that the country cannot allow Koor to go under.

A statement issued by Bankers Trust here Wednesday said: "Bankers Trust Co., Koor Industries Ltd. and Koor's Israeli banks met today to resolve the issues between them.

"The parties intend to work diligently and expeditiously to resolve the open issues in their continuing discussions."

Koor's managing director, Benny Gaon, its attorney, Ram Caspi, and Eitan Berglas, chairman of the Bank Hapoalim, Koor's largest creditor in Israel, are participating in the negotiations here.

(JTA correspondent Hugh Orgel in Tel Aviv contributed to this report.)