



**VOTE AGAINST PLO IN U.N. AGENCY
HURTS ITS EFFORTS TO JOIN OTHERS**
By Edwin Eytan and Tamar Levy

GENEVA, May 14 (JTA) -- The deferral Friday of the Palestine Liberation Organization's bid for full membership in the World Health Organization has severely diminished its chances for admission into the other U.N. agencies to which it planned to apply, according to political observers here.

The 166-nation World Health Assembly, the WHO's governing body, voted 83-47 Friday afternoon to postpone consideration of the PLO's application for membership as a sovereign state for one year -- until its next annual meeting in May 1990.

The vote was one of the rare occasions when an American-led initiative against Palestinian aspirations was supported by the Soviet Union and China.

Soviet diplomats explained privately that Moscow believed that American peace efforts in the Middle East should be given a chance to work.

Other Eastern European delegates, who followed the Soviet lead in the vote, said they did not want to jeopardize the current American dialogue with the PLO.

Thirty countries, Israel among them, abstained or were not present for the vote.

The head of the Israeli delegation, Health Minister Ya'acov Tsur, explained to the Jewish Telegraphic Agency later that Israel abstained from voting to postpone the issue because "we cannot agree to have it re-examined next year."

Nevertheless, Tsur called the outcome "a great relief and a great victory."

Arafat Decries U.S. 'Blackmail'

But he warned Israelis that it "does not mean that many of the member states, including most Western European countries, have changed their stand in favor of Palestinian self-determination."

PLO leader Yasir Arafat blamed the Americans for the Palestinian defeat and accused the United States of resorting to "cheap blackmail."

The United States had, in fact, served notice two weeks ago that it would withhold its assessed \$73.8 million contribution to the WHO's fiscal 1990 budget if the PLO were admitted.

That announcement created a crisis atmosphere when the World Health Assembly meeting opened here on May 8.

The American contribution represents about a quarter of the WHO's budget. In addition, the United States is the largest source of voluntary contributions to the agency's special programs combatting AIDS, tropical diseases and diseases fatal to children.

Dr. Hiroshi Nakajima, the Japanese physician who is director general of the WHO, said the loss of American funding would be "a bigger danger to world health than the AIDS epidemic."

The Israeli delegate, Tsur, may have been referring to this when he remarked that "the circumstances were in our favor."

Arafat, for his part, insisted that the "Palestine state" will continue to seek admission to

other specialized U.N. Agencies.

These include the United Nations Educational, Scientific and Cultural Organization, the U.N. Food and Agricultural Organization, the International Labor Organization and the International Telecommunications Union.

Jewish Groups Pleased

But observers believe the PLO's chances are doomed, at least for the time being, by the setback in the WHO.

Unlike the World Health Assembly, where a simple majority is sufficient, the other U.N. agencies require a two-thirds majority vote for admission.

In New York, American Jewish groups were quick to welcome the WHO vote. The Conference of Presidents of Major American Jewish Organizations praised the leadership of President Bush and Secretary of State James Baker in rejecting the PLO demand for admission to the health body.

"Their strong stand gave courage to other countries to vote against the PLO in a secret ballot," said Seymour Reich, chairman of the conference, which represents 46 national Jewish groups.

Reich also lauded the Soviet vote to delay consideration of the PLO's request. "We hope it is a sign of future cooperation between our two countries in the difficult task of encouraging a process that will lead to Middle East peace," he said.

"The PLO had no legitimate claim to membership," Thomas Neumann, executive vice president of B'nai B'rith International, said in a prepared statement. "We commend the United States and those governments who stood fast in denying this cynical maneuver for recognition."

**U.S. JEWISH GROUPS WELCOME BUSH'S
CONDITIONS FOR JACKSON-VANIK WAIVER**
By Howard Rosenberg

WASHINGTON, May 14 (JTA) -- American Jewish groups have welcomed President Bush's announcement Friday of conditions the Soviet Union would have to meet before a waiver of U.S. trade sanctions against that country could be considered.

"Should the Soviet Union codify its emigration laws in accord with international standards and implement its new laws faithfully, I am prepared to work with Congress for a temporary waiver of the Jackson-Vanik Amendment, opening the way to extending most-favored-nation trade status to the Soviet Union," Bush said in a commencement address Friday afternoon at Texas A&M University.

Bush's statement came a day after Secretary of State James Baker told a news conference in Moscow that he told Soviet leaders that it would be appropriate to consider waiving Jackson-Vanik as well as the Stevenson Amendment, which withholds U.S. government credits, should Soviet emigration reforms be "institutionalized."

Shoshana Cardin, chairwoman of the National Conference on Soviet Jewry, said she welcomed Bush's "setting of criteria which the Soviet Union should meet prior to the recommendation of a waiver."

Bush's position is consistent with the conference's "continuing reassessment of its position, initiated on Jan. 10," she said.

The group's preconditions for consideration of a waiver are a sustained high level of Soviet emigration; codification of Soviet emigration laws; progress on resolving the cases of long-term refuseniks; and reversal of emigration refusals to those who allegedly had access to state secrets.

Groups Going To Soviet Union

A National Conference delegation will visit the Soviet Union from May 23 to 28, to meet with refuseniks and Soviet officials, Cardin announced. The group's executive committee and board of governors will consider advocating a waiver of Jackson-Vanik penalties at a meeting in Washington on June 12 and 13.

The group's preconditions are in line with those announced by the Washington-based Union of Councils for Soviet Jews. Officials of that group said they were "relieved, joyful and full of gratitude" for Bush's statement.

Pamela Cohen, president of the Union of Councils, said Bush's statement is in "strict compliance" with previously stated U.S. positions on a waiver and with her group's own position.

Micah Naftalin, the organization's national director, who was given an advance briefing of the president's speech by a White House official Thursday night, praised Bush for not easing the conditions for a Jackson-Vanik waiver.

He credited Bush with "resisting the euphoria of glasnost" by not "crossing the critical Rubicon by granting a one-year waiver."

Cohen called Bush's statement a "first-round victory" against those "pressing for a premature waiver in the absence of Soviet legislative guarantees of institutional reform, leading to high and sustained levels of emigration."

But she added that if the Soviets implement such legislation, "the UCSJ will be among the first to advocate a one-year waiver."

Hard-Line Group, Too

Even the normally hard-line Student Struggle for Soviet Jewry "warmly welcomed" Bush's remarks and announced it was sending a delegation to the Soviet Union on Monday to join refuseniks in drafting proposed emigration reforms to present to the Kremlin.

The grass-roots group said any legislation enacted by the Soviets must guarantee "unhindered exit to anyone who wishes."

Seymour Reich, chairman of the Conference of Presidents of Major American Jewish Organizations, said Bush had set "fair and firm conditions" for the granting of a waiver.

"Those conditions offer a test of Soviet intentions," he said in a statement. "We trust that the USSR will meet that test and institutionalize by law the reforms it has begun to put into effect in its emigration practices."

Stephen Silbiger, Washington representative of the American Jewish Congress, which in January announced its support of a one-year waiver, also welcomed Bush's statement. But he called on the administration to "move expeditiously" to propose the waiver.

David Harris, Washington representative of the American Jewish Committee, called Bush's statement "a welcome balance between continued American commitment to the principle of free and unobstructed emigration and the recognition of the need for a flexible response."

Harris pointed out that repeal of Jackson-Vanik "is not an issue." The law allows the president to recommend to Congress an 18-month waiver, followed by annual renewals.

A White House fact sheet on Jackson-Vanik, released Friday, said Bush could propose a one-year waiver by notifying Congress. It added that an interagency review is under way in the Bush administration to determine whether legislative approval of a waiver is required.

ADL OFFICIALS CANCEL AUDIENCE WITH POPE BECAUSE OF CONVENT

By Ruth Gruber

ROME, May 14 (JTA) -- The Anti-Defamation League of B'nai B'rith backed off from a confrontation with Pope John Paul II Friday over the presence of a Carmelite convent on the grounds of the former Auschwitz death camp.

In a highly unusual and uncharacteristic move, the ADL canceled on Thursday afternoon an audience with the pontiff scheduled for the following day.

"It was mutually understood that some items on the ADL agenda had the potential for exacerbating tensions, and it was considered more productive to reschedule the meeting for a later time," the ADL said in a statement released here by Burton Levinson, its national chairman, and Abraham Foxman, its national director.

Rabbi Leon Klenicki, head of interfaith affairs for the ADL, said, "It was evident to us that the pope was not comfortable in considering the question of the convent in Auschwitz."

He stressed, however, that the matter should not be considered a setback in the Catholic-Jewish dialogue.

"The dialogue will continue. This is one event in our relationship. The Vatican knows of our friendship, and it is in the nature of friendship to be critical," Klenicki said.

One purpose of the audience was to introduce Klenicki and Rabbi David Rosen to the pope as ADL's new liaisons to the Vatican. Rosen is director of interreligious affairs in ADL's Jerusalem office.

A 'Tragic Misunderstanding'

Levinson had planned to read a statement urging the pope to involve himself in having the convent removed from the Auschwitz grounds.

Instead, he made the text of his statement available to the news media. It urged the pope to "find an effective reply to the tragic misunderstanding" over the convent.

"For the Jewish religious conscience, this defiled plot of land, where nearly half of the six million were murdered, is synonymous with the Shoah (Holocaust) and must cry out in stark silence to all future generations," he said.

Auschwitz should be "inhabited only by memories," he said.

Jewish groups all over the world are dismayed that the convent has not been relocated.

A February 1987 agreement, signed in Geneva by Jewish leaders and leading European cardinals, specified that the convent would be moved within two years.

Klenicki said that the canceled audience does not mean the ADL supports a boycott of the pontiff over the Auschwitz affair, which some Jewish leaders have advocated. He said that he and Rabbi Rosen would be in Rome for contacts with the Vatican every six months.

**CABINET APPROVES PEACE PLAN
CALLING FOR TALKS ON SELF-RULE**

By David Landau

JERUSALEM, May 14 (JTA) -- The Israeli Cabinet voted 20-6 Sunday to approve a peace initiative whose centerpiece is negotiations for Palestinian self-rule in the West Bank and Gaza Strip.

Participating in those negotiations would be Palestinian representatives elected in a special referendum in the administered territories.

The plan is based on ideas Prime Minister Yitzhak Shamir presented to the Bush administration when he visited Washington last month.

The plan was drafted by Shamir and Defense Minister Yitzhak Rabin of the Labor Party, in close coordination with Vice Premier Shimon Peres, the Labor Party chairman, and Foreign Minister Moshe Arens of Likud.

Rabin described the plan to reporters as "revolutionary."

Although the plan was overwhelmingly approved by the Likud-Labor Cabinet, some of Likud's most powerful ministers oppose it.

Ariel Sharon, the minister of industry and trade, condemned the scheme as a clear danger to Israel's existence and pledged to do everything in his power "to foil this dangerous initiative."

Sharon plans in the next few days to convene the Herut Central Committee, which he chairs, with the goal of securing a grass-roots vote against the prime minister. Herut is the dominant component of the Likud bloc.

Levy And Moda'i Oppose Plan

Sharon was joined in his opposition by Housing Minister David Levy, a Herut powerhouse who also holds the rank of deputy premier, and by Economics and Planning Minister Yitzhak Moda'i, leader of Likud's Liberal Party wing.

"This isn't a plan," Moda'i told reporters. "It's a surrender to the terror of the intifada and a sellout to the United States."

The right-wing opposition party Tehiya joined Sharon to condemn the initiative.

Two dovish Laborites, Minister of Science and Development Ezer Weizman and Raphael Edri, a minister without portfolio, were also critical.

Weizman called the plan "dishonest." He observed that the United States, by holding a dialogue with the Palestine Liberation Organization, is, in practice, conducting indirect negotiations between Israel and the PLO.

So why not hold direct, up-front negotiations? Weizman asked.

Avner Shaki, a National Religious Party minister without portfolio who is allied with the settlers, voted against the plan. But his NRP colleague, Religious Affairs Minister Zevulun Hammer, supported it.

Shaki complained that the government plan failed to include assurances that the elections in the territories would be municipal, not territory-wide, and that Arab residents of East Jerusalem would not be permitted to participate.

These are in fact the most delicate and controversial aspects of the plan, and the government leaders apparently chose to avoid dealing with them at this stage.

The document approved by the Cabinet also reportedly does not deal with the question of international supervision of the elections.

Ehud Olmert, a Likud minister without portfolio close to Shamir, said Sunday evening

that the government now would proceed to make a detailed formulation of "such issues as eligibility to vote and to stand for election, conduct election campaigning and so forth."

The approved document also calls for talks to include the elected representatives of Israel, Jordan and Egypt on a five-year "interim agreement." Not later than the start of the third year, the same parties would enter into talks on a "permanent solution."

That language is taken directly from the 1978 Camp David accords.

**PALESTINIANS SNUB AMERICANS
BY STAYING AWAY FROM MEETING**

By David Landau

JERUSALEM, May 14 (JTA) -- A high-level American diplomatic delegation was disappointed when only four of 15 Palestinian leaders invited to meet with them showed up Saturday at the U.S. consul general's residence in West Jerusalem.

The Americans had hoped to sound them out on the Palestinian elections Israel proposes to hold in the West Bank and Gaza Strip.

Some of the absentees sent the visiting Americans letters explaining why they did not attend the meeting. Observers, reading between the lines, detected a deliberate snub.

They recalled that former U.S. Secretary of State George Shultz was similarly snubbed when he tried to arrange meetings with Palestinian personalities during the height of his shuttle diplomacy here in 1988.

The American team is headed by Dennis Ross, director of policy planning at the U.S. State Department and a close aide to Secretary of State James Baker.

A few of the 11 who did not show up told American reporters that they agreed to meet with the delegation later in the week, presumably after it returns here from visits to Jordan and Egypt.

But they said the meeting would have to be held in East Jerusalem.

One of the leaders who did attend, Mayor Elias Freij of Bethlehem, said the Palestinians accepted the Israeli election idea "in principle," on condition that the balloting is conducted under "international supervision" and is approved by the Palestine Liberation Organization.

Freij also insisted that "East Jerusalem is part of the occupied West Bank" and its Arab residents therefore should be allowed to vote.

Israel considers East Jerusalem indivisible from the rest of the city and part of Israeli soil.

The Americans met Saturday with Vice Premier Shimon Peres, head of the Labor Party, at his home in Tel Aviv. They called on Prime Minister Yitzhak Shamir immediately after Sunday's Cabinet meeting.

SHAMIR, PERES BACK AT WORK

By David Landau

JERUSALEM, May 14 (JTA) -- Prime Minister Yitzhak Shamir, released from Hadassah University Hospital on Friday afternoon, after a short stay, resumed his full schedule of work over the weekend, looking fit and well.

He will leave on an official visit to Britain next week, as planned.

Vice Premier Shimon Peres, the Labor Party leader, is also back on a full schedule, after recovering from prostate surgery a week ago. He left Israel Sunday on an official visit to Italy.

VIOLENCE IN NORTHERN ISRAEL MAY SIGNAL SPREAD OF INTIFADA

By Gil Sedan

JERUSALEM, May 14 (JTA) -- A recent wave of violent incidents in northern Israel has raised fears that the Palestinian uprising in the West Bank and Gaza Strip may be spreading to Israel's 700,000 Arab citizens.

An Egged bus was stoned Saturday night passing through Nazareth, the largest Arab city in Israel. Three passengers were slightly hurt.

A police van that rushed to the scene was reportedly pelted with stones and bottles.

A 14-year-old Jewish boy from Nahariya, Armand Swissa, was stabbed in a brawl between fans of a Jewish and an Arab soccer team after a match Saturday.

The youngster was hospitalized and reported in fair condition. Police arrested 51 rioters, including the suspected knife-wielder.

Violence involving soccer fans is a common phenomenon, and this incident may or may not have had political motivations.

But Danny Tabib, the police commander in the northern region, said Sunday that the incidence of attacks on Jewish targets near Arab population centers in the region has increased in the past few months.

There have been 10 arrests in the last few days, and more are expected.

Last week, two firebombs were reportedly thrown at a car on the main road to the Jewish town of Migdal Ha'emek, not far from Nazareth.

Israeli Arabs are also suspected of setting fields and cars on fire in recent days.

Jewish Patience 'Running Out'

Police said they arrested a gang of eight from the Arab village of Jatt, near Hadera, who confessed to throwing a gasoline bomb during a basketball game, stoning cars and raising the Palestinian flag.

Incidents such as the bus stoning could lead to retaliatory acts against Arabs, the way some Jewish settlers in the West Bank often take the law into their own hands.

Mayor Shaul Amor of Migdal Ha'emek, where the Egged bus was headed, warned Sunday that if violence against Jewish vehicles does not stop, it will be difficult to prevent a Jewish reaction.

Amor advised the Hadash Communist party, which governs Nazareth, to control its people, "because the patience of Jewish residents is running out as the creeping intifada reaches their homes."

WORKERS FROM GAZA FACE GAUNTLET AS ISRAELIS RETHINK HIRING THEM

By Gil Sedan

JERUSALEM, May 14 (JTA) -- Israel may have reached a turning point in its large-scale employment of Arabs from the administered territories. The practice is on the wane and may eventually come to an end.

That is because of mounting antipathy and fear between Jews and Arabs on both sides of the "Green Line," spurred by the continuing uprising in the territories. Anti-Arab sentiment is especially rife in southern Israel.

Arab day-laborers from the Gaza Strip had to run a gauntlet of rocks hurled at their cars by Jewish youths when they began returning to their jobs in Israel on Saturday.

About 30 cars with Gaza license plates were ambushed on the road connecting Gaza with Ashkelon and Ashdod. Jewish settlers in the West Bank have had the same experience driving through Arab-populated areas.

Jews of Ashkelon and Ashdod are in an especially angry mood since the discovery last week of the remains of Sgt. Avi Sasportas, a paratrooper missing since Feb. 16.

His body was found in the course of a search -- still under way -- for another soldier, Ilan Sa'adon, who has been missing since May 3.

Spirits had cooled somewhat by Sunday. But Arabs from Gaza driving to work in Israel had to pass through several roadblocks and undergo stiff police inspections.

The Israel Defense Force imposed a nightly curfew on the Gaza Strip, effective Saturday. Workers cannot leave their homes before 4 a.m.

An immediate consequence was the failure of street cleaners and gardeners to report to their jobs Sunday in the Ashkelon and Ashdod municipalities. Apparently they preferred to lose pay than risk their lives.

Past experience shows that many will gradually return to work. But increasing numbers are looking for work inside the Gaza Strip.

About 100,000 Arabs from the territories are employed in Israel, chiefly in menial jobs.

GREEK COURT UPHOLDS EXTRADITION OF ALLEGED PALESTINIAN TERRORIST

By Jean Cohen

ATHENS, May 14 (JTA) -- The Greek Supreme Court ruled by a 4-1 margin Friday that alleged Palestinian terrorist Mohammad Rashid should be extradited to the United States to stand trial for a fatal airliner bombing.

But the final decision rests with the minister of justice, who can order extradition or override the high court under Greek law.

Nevertheless, the U.S. State Department welcomed, as a first step, the court's rejection of Rashid's appeal against extradition.

It "opens the way for Rashid's extradition," the department's deputy spokesman, Richard Boucher, said in Washington on Friday.

Rashid, 39, also known as Hamdan, was indicted in the United States for the 1982 bombing of a Pan American Airways jet in which one passenger was killed and 15 were injured.

In Washington, a State Department source would not predict how the Greek justice minister would decide this case. But Greece knows "how outraged we were when a previous justice minister freed a previous terrorist," the source said.

The reference was to Abdel Osama al-Zomar, 27, who is wanted in Italy for the 1982 attack on the main synagogue in Rome, in which a 3-year-old child was killed.

Zomar was released from a Greek jail last Dec. 6 and "deported" to Libya by order of the justice minister, despite Italy's longstanding extradition request.

Rashid went to the court hearing professing "faith in Greek justice." He said he "intends to go back to Palestine and continue fighting."

At the hearing, he had vocal support from about 350 members of the Greek National Students Union. They shouted slogans such as "The terrorists are not the freedom fighters. The terrorists are the American Zionists."

(JTA Washington correspondent Howard Rosenberg contributed to this report.)