

SENATE ADOPTS COMPROMISE LANGUAGE ON BILL RESTRICTING PLO CONTACTS

By Howard Rosenberg

WASHINGTON, July 20 (JTA) -- The Senate adopted legislation Thursday to bar U.S. government contacts with members of the Palestine Liberation Organization who have been involved in terrorist acts.

The 97-1 vote to adopt the measure came after the Senate rejected a more stringent version proposed by Sen. Jesse Helms (R-N.C.) and modified slightly by Sen. Charles Grassley (R-Iowa).

The Bush administration and at least two Jewish groups strongly opposed the Helms amendment to the State Department authorization bill, which was rejected by a vote of 75-23.

Helms cast the lone vote against the substitute amendment, which was introduced by Senate Majority leader George Mitchell (D-Maine), Minority Leader Robert Dole (R-Kan.) and four other senators.

The original Helms measure would have would have required the president to certify that each PLO official the United States contacted was not involved in terrorist activity.

The Mitchell-Dole substitute prevents contacts with PLO officials the president knows to have "directly participated in the planning or execution of a particular terrorist activity which resulted in the death or kidnapping of an American citizen."

Substitute Bill A 'Fig Leaf'

Helms called the substitute language a "fig leaf" in which there is "no requirement that the president ever advise Congress."

Two Jewish groups that opposed the Helms amendment, the American Jewish Congress and the Union of American Hebrew Congregations, said Thursday they support the substitute.

And other American Jewish groups who had supported the Helms amendment from the start had no quarrel with the revised version that was adopted.

In New York, the Anti-Defamation League of B'nai B'rith praised the Senate move, saying that it "sends a signal to all parties involved in the Middle East peace process that the U.S. considers these terrorists to have no role in the civilized world of international diplomacy."

Seymour Reich, chairman of the Conference of Presidents of Major American Jewish Organizations, said he was gratified that the Senate had sought to limit "talks with PLO terrorists and those who conspire with them to commit terrorist acts against U.S. citizens."

He urged the House of Representatives to adopt similar legislation.

But three of the Senate's eight Jewish members felt that the stronger language was so preferable that they voted in favor of the Helms amendment, even though its chances of passing were slim.

After the Helms bill was defeated, Sens. Joseph Lieberman (D-Conn.), Arlen Specter (R-Pa.) and Frank Lautenberg (D-N.J.) supported the substitute bill.

Mitchell said that while President Bush opposes the compromise, he considers it "far less

offensive" than the Helms proposal and will not veto it.

Before the Senate debate, Bush sent a letter to Mitchell warning that the amendment "would interfere significantly, if not destroy, the ability of the United States to promote a viable peace process in the Middle East."

"Should this amendment become law, U.S. influence would be diminished and the prospects for peace significantly and possibly decisively undermined. The big losers would be Israel and ourselves," Bush wrote.

The votes Thursday came three weeks after reports surfaced that the U.S. ambassador to Tunisia, Robert Pelletreau, had met with Salah Khalaf, a top PLO official.

Khalaf, also known as Abu Iyad, founded the extremist Black September terrorist organization held responsible for the massacre of 11 Israeli athletes at the Munich Olympic Games in 1972.

He was also implicated in the 1973 killing of the U.S. ambassador to Sudan, Cleo Noel Jr.

NAVON SAYS ISRAEL CANNOT DISQUALIFY TERRITORY CANDIDATES ALIGNED WITH PLO

By Gil Sedan

JERUSALEM, July 20 (JTA) -- Israel cannot disqualify any candidate elected in the territories even if the candidate identifies with the Palestine Liberation Organization, Deputy Prime Minister Yitzhak Navon said Thursday.

Navon, a prominent Laborite, explained his understanding of the peace initiative on the Arabic news service of Israel Television.

The former president of Israel, who is fluent in Arabic, said he believed the Palestinian residents of East Jerusalem should have the right to participate in the proposed elections.

In addition, he said, he would not insist that the Palestinian uprising end before elections could take place.

Navon's points are the antithesis of the resolutions adopted by the Likud Central Committee two weeks ago.

Meanwhile, Yitzhak Moda'i, who is minister of economics and planning, assailed aides to Yitzhak Shamir for spreading rumors that the prime minister might dismiss Ariel Sharon, Shamir's most outspoken critic in the Cabinet.

According to Moda'i, "comments by so-called associates of the prime minister must be stopped." He said he would not tolerate references by "officials, or even ministers, to the possible dismissal of ministers."

In another development, a Likud minister assured the Knesset on Wednesday that the government's peace initiative remained intact, as well as the guidelines governing the seven-month-old coalition between Likud and the Labor Party.

Ronni Milo, a Shamir loyalist who is minister for environmental protection, said that since the initiative was overwhelmingly approved by the Knesset in May, it could only be changed by the Knesset.

Milo spoke in reply to a series of agenda motions questioning the constraints and preconditions attached to the plan by the Likud Central Committee on July 5. His remarks implied they would have no effect.

Shamir has repeatedly made the same point, although he accepted the new conditions under pressure from hard-line ministers Sharon, Moda'i and David Levy.

Shamir is trying to convince the Labor Party not to break up the unity coalition government over the peace plan.

**MUBARAK URGES SEPHARDIC LEADERS
TALK TO 2 PALESTINIAN-AMERICANS**
By David Landau

JERUSALEM, July 20 (JTA) -- Egyptian President Hosni Mubarak said Israel should talk with two prominent Palestinian-American academicians if it wants to advance Prime Minister Yitzhak Shamir's peace initiative in the West Bank and Gaza Strip.

That was the "main point" made by Mubarak during his 90-minute meeting Wednesday with two leaders of Israel's Sephardic community, according to reliable sources quoted Thursday in the Jerusalem Post.

Mubarak met in the Egyptian port city of Alexandria with former Sephardic Chief Rabbi Ovadia Yosef and Interior Minister Arye Deri.

The suggested interlocutors are Edward Said, a professor of English literature at Columbia University, and Ibrahim Abu Lughod, professor of political science at Northwestern University.

Both are members of the Palestine National Council, the legislative body of the Palestine Liberation Organization.

The Reagan administration had mentioned both men as possible members of a Palestinian negotiating team, but Israel refuses to deal with PNC members, as it shuns any official contact with the PLO.

The Jerusalem Post said Mubarak told his guests that by talking to the two professors, as well as with local leaders in the territories, Israel could convince the Palestinians that its peace initiative is not intended to drive a wedge between the inhabitants of the territories and Palestinians overseas.

Concern About Likud 'Constraints'

Deri made no mention of Mubarak's suggestion in his briefings to Israeli reporters who accompanied him and Yosef.

He said they had discussed the peace process and that he would report to the prime minister.

Deri added, however, that Mubarak and every other Egyptian leader he met was disturbed by the hard-line "constraints" on Shamir's peace plan adopted by the Likud Central Committee on July 5.

Deri, a moderate in the ultra-Orthodox Shas party, is mediating between the Labor Party and Likud to try to prevent the collapse of the unity coalition government over the peace issue.

He and Yosef were invited to Egypt by Mubarak, enhancing both their political stature and that of Israel's Sephardic community.

Yosef, the spiritual mentor of Shas, which was formed after he left the Chief Rabbinate, was a rabbi in Egypt before he immigrated to Israel in 1948.

Deri, who is of Moroccan origin, said the Egyptians recognize "Rabbi Yosef's great influence among large segments of public opinion, especially in the Sephardic community," and they "sought therefore to talk to him about the continuation of the peace process and the importance of peace."

**DEFENSE ATTORNEYS ANNOUNCE STRIKE
PROTESTING STATE OF MILITARY COURTS**
By Cathrine Gerson

JERUSALEM, July 20 (JTA) -- Israeli and Palestinian defense attorneys declared a one-month strike Thursday to protest what they charged were intolerable conditions in the military courts of the West Bank and Gaza Strip.

The lawyers said the "indignity imposed on our clients" made it impossible to give them a proper defense.

The strike was promptly denounced by Brig. Gen. Amnon Strasnow, the judge advocate general who is the chief legal officer of the Israel Defense Force.

He called it a most serious, irresponsible and completely unjustified step and said the courts would continue to conduct hearings in a legal manner without the attorneys.

Strasnow said that since the Palestinian uprising began 19 months ago, and especially in recent months, there has been real improvement in the work of the military courts.

The number of judges has doubled, the trials are quicker and the working conditions of the lawyers have improved, he said.

But the lawyers charged that despite the IDF's promises, Palestinian lawyers are still harassed in court, are often denied access to their clients and are not informed of changes in the court calendar.

Abed Assali, an Arab defense attorney with extensive experience dealing with the military court system, said he was joining the strike out of respect for the legal profession.

"The shadow of the current situation, of mass arrests, collective arrests, of hundreds of automatic remand hearings in the jails, have made me reach the conclusion that I have nothing to offer my clients," Assali said.

Felicia Langer, an Israeli lawyer who has represented clients in military courts since 1968, told reporters at a news conference in East Jerusalem that during the last year, she "realized it is almost impossible to perform any legal duties" in the military courts in the territories.

She said she reached that conclusion "because I couldn't bear to see the people humiliated in front of me, and not being able to help.

"It is almost impossible to retain dignity and to try to defend somebody's dignity," she said.

HISTADRUT CALLS 2-HOUR STRIKE
By Gil Sedan

JERUSALEM, July 20 (JTA) -- A general strike will paralyze the country for two hours on Sunday, but this time it's being called by Jews.

The Histadrut has called a general strike to protest rising unemployment and demand the government do something about it.

The trade union federation estimates there are about 140,000 jobless in Israel. The Labor Ministry has put the unemployment rate at nearly 10 percent of the work force, the highest in more than 20 years.

Histadrut Secretary-General Yisrael Kessar warned that unless the government takes immediate measures against unemployment, Histadrut will take stronger steps than a two-hour walkout.

Finance Minister Shimon Peres promised Thursday that the government would allocate funds to create jobs, which he said would require "only a small deviation from the state budget."

**ISRAEL HEARS FAMILIAR CHARGES
AT U.N. SESSION IN GENEVA**
By Tamar Levy

GENEVA, July 20 (JTA) -- Israel defended itself Tuesday against familiar charges at a session of the U.N. Economic and Social Council that dealt with "the occupation of Arab territories."

The only surprise was the relatively mild statement by the Palestinian observer, Mohammad Abu Koash, who never once referred to the "Zionist entity" but asserted repeatedly that the Palestine Liberation Organization wants a peaceful settlement with Israel.

Avraham Milo, deputy permanent representative of Israel to U.N. European headquarters in Geneva, said his country has presented to its Arab neighbors "a comprehensive proposal designed to move the region from belligerency to peace. This historic chance should not be wasted," he said.

Milo, who also has observer status at the council, devoted most of his remarks to refuting charges by the Soviet delegate, Elena Bodina, of Israeli economic exploitation of the West Bank and Gaza Strip.

Bodina accused Israel of denying the natural resources of the region to the Palestinian people with the result that Israelis and not Palestinians were benefiting from the Palestinian economy.

According to the Soviet delegate, the situation made it all the more urgent to convene an international peace conference for the Middle East.

She said all of the U.N. Security Council members supported the idea except one, an allusion to the United States.

Milo said in reply that Israel has invested substantial resources and good will to improve living conditions in the territories and has gotten stones and gasoline bombs in return.

The Palestinian uprising, he said, was in essence a rejection of cooperation for development.

More International Cooperation

He added that the Palestinians in the territories needed less international encouragement for violence and more international cooperation to secure the necessary resources.

Hicham Hamdan, the observer from Lebanon, accused Israel of occupying part of southern Lebanon, exploiting its mineral and water resources and trying to build settlements in some parts of the territory to be populated by Ethiopian Jewish immigrants.

Hamdan also charged Israel with trying to expel large numbers of Lebanese citizens from the region, including women and children.

Milo replied that southern Lebanon has become the safest part of that war-ravaged country and many people from other regions, including Beirut, are seeking refuge there.

The Palestinian's statement, if more moderate than usual, was not conciliatory, as Abu Koash accused Israel of violating international law.

He said the PLO had formulated genuine peace proposals, which have been endorsed by the leaders of the Arab states and have received worldwide acceptance, except by Israel.

Instead, Abu Koash said, Israel proposed holding elections "in occupied Palestine, and recently it amended its own proposals by adding among other things a few conditions."

**LEGAL CHALLENGE TO JNF PRACTICES
IS DIVERTING DOLLARS FROM ISRAEL**
By Allison Kaplan

NEW YORK, July 20 (JTA) -- A prolonged legal battle over the Jewish National Fund's refusal to fund projects in the administered territories is costing the organization more than the price of planting an entire forest in Israel.

Since February, JNF has been fighting a lawsuit filed by a group called the Ad Hoc Committee for Jewish Survival in Judea, Samaria, Gaza and the Golan.

This week, the committee served JNF with a motion for contempt of court.

It charged that JNF was disobeying a court injunction barring it from displaying, in promotional and fund-raising materials, maps of Israel that include the administered territories.

The dispute over maps is really a disagreement over politics. JNF's U.S. branch funds tree-planting and land-reclamation projects only within the pre-1967 borders of the State of Israel.

The Ad Hoc Committee would like to see JNF change that policy. In order to try to force JNF to fund projects in the administered territories, it filed suit, claiming JNF "misled and defrauded" donors by concealing its policy.

Although the majority of the original charges in the Ad Hoc Committee's lawsuit were dismissed, New York Supreme Court Judge Shirley Fingerhood did grant a motion restraining JNF from using maps of Israel that imply the organization is funding projects in the territories.

JNF spokesman Stuart Paskow said the organization has been abiding by that ruling. "All we use maps for is to locate projects. Maps were never used for fund raising," he said.

Maps On Blue Boxes

But in the recent contempt motion, the Ad Hoc Committee claims that when it wrote to JNF requesting information, it was sent copies of JNF brochures and JNF's famous "blue boxes," or pushkes.

These materials had the prohibited maps on them, thereby violating the court injunction, the Ad Hoc Committee charges.

"They can't go around boycotting one-third of the land of Israel and then produce fraudulent literature," said Michael Teplow, who is co-chairman of the Ad Hoc Committee, though not one of the plaintiffs in the case. Teplow also is president of Tehiya USA, the American affiliate of the right-wing Israeli party.

The battle will continue the first week of August, when Judge Fingerhood returns from vacation. Both sides have appeals pending: JNF is appealing the injunction and the Ad Hoc Committee is appealing the dismissal of four of its original charges.

No matter who comes out on top in court, the real loser in this case, Paskow says, is the State of Israel.

"Funds that we would normally be transferring to Israel we are now using to pay for attorneys," Paskow said. He said JNF legal costs had exceeded \$50,000, which is "more than enough to build a forest."

Changing the policy, however, would be far more costly, Paskow said. The "overwhelming majority" of JNF's donors, he said, want to keep their contributions confined to projects within the pre-1967 borders. A change in that policy could cost millions in donations.

SLEPAK PRINCIPLES ON HUMAN RIGHTS FUEL DEBATE ON TRADE WITH SOVIETS

By Andrew Silow Carroll

NEW YORK, July 20 (JTA) -- Congress has begun serious consideration of a set of human rights principles which, if adopted, would urge U.S. companies to make a "good faith effort" to decline joint ventures with Soviet firms that engage in human rights violations.

The principles have been hailed by human rights activists, but detractors include both the State Department and many U.S. companies. They are concerned the Slepak Principles -- named after former refusenik Vladimir Slepak -- will serve to discourage the Soviets' new-found interest in opening up their markets to the West.

The Senate postponed action Thursday on a bill containing the Slepak Principles, and referred it to the Senate Foreign Relations Committee.

Sens. John Heinz (R-Pa.) and Dennis DeConcini (D-Ariz.), who introduced the bill during debate on the State Department authorization bill, received a pledge that the committee will hold a hearing on the principles by Sept. 15.

The principles are a seven-point human rights code written by the Slepak Foundation, the Philadelphia-based human rights group founded by Dr. Alexander Slepak, Vladimir's son.

The principles target a number of human rights violations said to be practiced in the Soviet Union and Baltic states, and include provisions that U.S.-Soviet joint ventures comply with international standards for occupational safety and environmental protection.

U.S. companies would be asked not to engage in business if a Soviet firm or project was known to engage in forced labor, political or ethnic discrimination or the desecration of current or former religious institutions.

Although adherence to the principles would be voluntary, the law would order the State Department to submit a yearly report to Congress that monitors compliance. The law would not provide for the punishment of those companies that do not go along.

Sends A Strong Message

Human rights organizations and advocacy groups, including the Union of Councils for Soviet Jews, said the Slepak Principles will send a strong message to the Soviets on human rights.

Defending the bill, a spokesman for Heinz said Wednesday that "it is important to bear in mind that Soviet societies have been sporadic in terms of openings and closings."

The Slepak Foundation first presented its principles to lawmakers at a meeting in October 1988. They were partly a response to new initiatives by Soviet leader Mikhail Gorbachev to open up Soviet markets to Western investors, according to Jack Engelhard, communications director for the foundation.

Engelhard said the principles were inspired by the example set by Vladimir Slepak, who was a founding member of the Moscow group that monitored Soviet compliance with the Helsinki human rights accords before he was allowed to emigrate in 1987. Slepak now lives in Israel.

Reps. John Miller (R-Wash.) and Lawrence Smith (D-Fla.) introduced the principles as a House bill in May. The House Foreign Affairs subcommittee on human rights has yet to hold hearings on the principles.

Engelhard said the principles had earned the

endorsement of the AFL-CIO, the Union of Councils for Soviet Jews, assorted advocacy organizations representing ethnic in the Soviet Union and the Rev. Leon Sullivan of Philadelphia.

Sullivan is the author of the Sullivan Principles, a 1985 employment code for U.S. businesses active in South America. The code was adopted to help U.S. government efforts to fight apartheid.

Like the Sullivan Principles, the Slepak Principles have met resistance from American businesses and trade groups.

The companies say that practices codes, export controls and economic sanctions should not be used as political tools, because they end up hurting the people they are trying to protect.

The companies point out that adherence to the Sullivan Principles failed to undermine apartheid in South Africa.

Not one of the 30 U.S. corporations invited agreed to take part in the October 1988 meeting announcing the Slepak principles.

Secretary of State James Baker has also testified before the Senate Foreign Relations Committee that with Soviet society appearing to open up, the time is not ripe to press the Soviets on human rights.

A State Department representative is again expected to voice the department's objections next week before the House Foreign Affairs subcommittee on Europe and the Middle East.

But according to Engelhard, "there's never a wrong time to be for human rights."

"We're not asking that American businesses refrain from doing business with the Soviet Union. We're only saying that if you're going to do it, keep your eyes open."

Micah Naftalin, national director of the Union of Councils, said debate over the Slepak Principles is related to the Jackson-Vanik Amendment, which denies the Soviet Union favorable trade status with the United States until it allows for free emigration.

"For years we've been hearing from those parts of the private sector that we don't need Jackson-Vanik, that there are better ways for the private sector to promote human rights and emigration," Naftalin said.

"It is our sense that the Slepak Principles have the effect of asking the private sector to put their money where their mouth is."

CENTER ESTABLISHED TO MAINTAIN CONDITION OF ISRAEL'S HOLY SITES

By David Landau

JERUSALEM, July 20 (JTA) -- Responding to mounting complaints from tourists and other visitors, a new authority has been established to oversee the proper maintenance of the holy sites throughout Israel.

The National Center for Holy Places was set up at the personal initiative of Ze'evulun Hammer, minister for religious affairs, and will be part of his ministry.

Oded Wiener, a geographer, has been appointed its director. The center will be responsible for the physical upkeep of 48 officially designated holy sites around the country.

Until now, there has been no nationally established criteria for their maintenance and operation.

The establishment of the center culminates years of campaigning by individuals, newspapers and groups to improve the dilapidated condition of many sacred sites, particularly in the Galilee.