

**IDF LIFTS SIEGE ON BEIT SAHUR,
SAYING IT IT QUASHED TAX REVOLT**
By Gil Sedan

JERUSALEM, Oct. 31 (JTA) -- The Israel Defense Force lifted its siege of Beit Sahur on Tuesday, claiming a "successful" operation against residents of the West Bank village, who had refused to pay their taxes.

The Israeli authorities said all persons who owed taxes had either paid them, had their property confiscated or been arrested during the five-week confrontation.

But there was no sign that the tax revolt ended voluntarily in the affluent, mainly Christian Arab town. The confrontation, however, was attracting international media attention, most of it harmful to Israel's image.

The authorities took punitive measures against the entire population, instead of simply going after the 320 local merchants who originally balked at paying taxes.

That was because the IDF and Defense Minister Yitzhak Rabin saw the tax revolt as a test of strength against the leadership of the Palestinian uprising. Rabin declared only last week that the tough measures would continue as long as tax resistance lasted.

The IDF claimed the revolt was tightly organized by local committees affiliated with the extremist Popular Front for the Liberation of Palestine.

More moderate Palestinian groups, such as Al Fatah, were forced to comply, and merchants preferred to lose property rather than defy the leadership of the intifada, the Israelis said.

Had Generated Criticism Abroad

The IDF seized over a million dollars' worth of property, including merchandise, individual bank accounts and 33 vehicles. The military authorities arrested 40 recalcitrant merchants and, so far, has put four of them on trial.

While public opinion in most countries may regard the seizure of property in lieu of taxes as reasonable, the collective punishment imposed on Beit Sahur generated criticism against Israel abroad.

The army's measures included dusk-to-dawn curfews, the cut-off of telephones and other utilities, and the total isolation of the town. No one was allowed to enter or leave without permission of the IDF.

That policy backfired last Friday, when Israeli troops denied entry to three leaders of Jerusalem's Christian clergy: the patriarchs of the Greek Orthodox, Armenian and Roman Catholic churches.

They immediately called a news conference, at which they accused the Israeli authorities of denying them the right to pray with their congregants in Beit Sahur.

A mass prayer meeting was announced there for next Sunday. World leaders, including President Bush, were invited to send representatives.

The Israeli authorities, contemplating a situation where hundreds of worshippers would be barred from entering the town, began to relent last weekend. On Sunday, the IDF allowed seven left-wing Knesset members to visit Beit Sahur.

The authorities still insist there was no justification for the tax revolt, except as a play of the intifada.

Residents disagree. They charge that they do not receive public services commensurate with their tax burden. They object to the use of their taxes to pay the salaries of hundreds of Israeli civil servants in the West Bank and to maintain IDF soldiers there.

The authorities say the taxes, channeled through the civil administration, never leave the territory and provide services to its residents.

**PFLP TAKES CREDIT FOR DETONATING
BOAT THAT INJURED ISRAELI SEAMAN**
By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- An explosive-laden fishing boat blew up off the southern Lebanese coast Monday night, injuring an Israeli navy seaman nearby and killing a Palestinian terrorist aboard.

Two other Israeli seamen suffered minor scratches.

The incident appears to have been the first suicide bombing at sea. It emulated the frequent car-bomb attacks on Israeli troops in southern Lebanon in recent years.

In Beirut, the Popular Front for the Liberation of Palestine, a hard-line Palestine Liberation Organization faction headed by George Habash, claimed credit for the incident Tuesday.

It said one of its units on a mission against Israel had a "major encounter" with a large number of Israeli warships and helicopters.

Residents of Tyre spoke of a "massive blast" that shattered windowpanes.

The navy said one of its Devora-class patrol boats encountered the fishing boat in Lebanese waters opposite the Rashidiya refugee camp, on the coast south of Tyre.

The boat was in an area barred to fishermen and was behaving in a suspicious manner, the navy said. A boarding party sent to investigate was a few yards away from the craft when it exploded.

The wounded seaman was taken by helicopter to Rambam Hospital in Haifa for treatment of an eye injury. Doctors said he would not lose sight in his damaged eye.

**NEWS ANALYSIS:
LITTLE FALLOUT YET ON CAPITOL HILL
ABOUT ALLEGED PROJECT WITH PRETORIA**
By David Friedman

WASHINGTON, Oct. 31 (JTA) -- Charges that Israel is collaborating with South Africa in the development of ballistic missiles and nuclear weapons have not caused a backlash against Israel on Capitol Hill, at least so far.

Washington representatives of Jewish organizations report they are hearing little or nothing from senators and members of the House of Representatives about the allegations, first broadcast by NBC News on Oct. 25.

"I think people are still trying to determine what the facts are," Jess Hordes, Washington representative of the Anti-Defamation League of B'nai B'rith, said Tuesday.

But Senate Minority Leader Robert Dole (R-Kan.) suggested that criticism was muted because Israel has "a lot of clout" in Congress.

Dole and Senate Majority Leader George Mitchell (D-Maine), appearing Sunday on NBC-TV's "Meet the Press," said that the United States should publicly criticize Israel if the allegations are true. But both said that they did not believe that U.S. aid to Israel would be cut.

"But, you know, Israel has a lot of clout in this town," Dole said. Asked if it was "too much clout," Dole replied, "Sometimes."

Dole publicly criticized Israel in August, when he suggested that its leaders should exercise "a little more restraint" before launching operations such as the capture of a Shiite fundamentalist leader in Lebanon.

Congressional Response 'Muted'

Aside from the senator's latest remark, there is a reluctance on Capitol Hill to comment on reports of Israeli cooperation with South Africa. And both the White House and the State Department have denied that Israel transferred any military technology it received from the United States to South Africa.

Malcolm Hoenlein, executive director of the Conference of Presidents of Major American Jewish Organizations, said that the congressional response has been "very muted."

He said the subject did not come up when the conference met with several senators and representatives Monday.

Hoenlein credits this to the prompt denials by Israeli Prime Minister Yitzhak Shamir and Defense Minister Yitzhak Rabin. He also noted that allegations of Israeli-South African cooperation are not new and crop up from time to time.

The first of the latest NBC reports on the subject, aired on its Oct. 25 "Nightly News" program, charged that Israel was helping South Africa develop a nuclear-tipped missile.

The report said Israel was in "full-blown" partnership with Pretoria because South Africa provided enriched uranium for Israel, as well as a place for Israel to test its missile technology.

If the NBC allegation were to be proven true, it could endanger a continuation of U.S. aid to Israel, because Israel would be in violation of both United Nations and U.S. sanctions against military cooperation with South Africa.

Faced with such a threat in March 1987, the Israeli Inner Cabinet announced it would not initiate any new military cooperation with South Africa, but would not abrogate existing contracts.

The Defense Ministry reiterated Oct. 26 that it was abiding by this policy.

Israel Urged To Sign Treaty

In responding to the NBC allegations, the Bush administration said last week it had no evidence that Israel had transferred U.S. technology to South Africa.

But it said it was investigating the charge and noted that the U.S. ambassador in Israel had often discussed the issue of missile and nuclear proliferation with the Israeli Defense Ministry.

At the same time, the Bush administration has been using the spotlight now on Israel's nuclear capability to once again urge Israel to sign the nuclear non-proliferation treaty.

Israel has steadfastly refused to sign the treaty while repeatedly asserting it will not be the first to introduce nuclear weapons in the Middle East.

However, there has been speculation in both Jerusalem and Washington that the allegations were leaked to NBC as an implied threat to Jerusalem for one reason or another.

One suggestion is that the leaks were made to put additional pressure on Israel to accept Secretary of State James Baker's proposals for an Israeli-Palestinian dialogue in Cairo.

Another possible scenario is that officials in the Pentagon leaked the charges to ensure that Israel and its allies in the United States would not try to block a proposed sale of 300 advanced M1-A2 tanks to Saudi Arabia. The argument is that if Israel were shown to have nuclear capability, it would be difficult to claim that the tanks would be a threat to its security.

A third suggestion is that the allegations came from those within the administration who want to block the sale of super computers to Israel. The administration is presently weighing whether to allow Israel to buy the equipment, which some claim can be used to advance its nuclear capability.

Hoenlein seemed to discount these theories, especially the Baker scenario. He noted that NBC had been working on the story for some time, so the allegations could not have been timed to meet current issues.

Warning From Assistant Secretary

Israel's alleged relationship with South Africa did come up briefly this week during one congressional hearing, when a Bush administration official urged Congress not to adopt legislation that would impose mandatory sanctions against companies providing ballistic missile technology to Third World countries.

Richard Clarke, assistant secretary of state for politico-military affairs, told a House subcommittee Monday that such legislation could impact certain U.S. programs with Israel.

Clarke said that if there were either a corporate or governmental relationship between Israel and South Africa on missile development, "then this legislation, or other versions of it, might mandate that we terminate a variety of programs with Israel."

The assistant secretary did not specify which programs, nor did he explain what an Israeli relationship with South Africa had to do with proliferation in the Third World.

He was testifying against a bill, sponsored by Rep. Howard Berman (D-Calif.), that would deny U.S. government contracts, export licenses and/or technical assistance for foreign and domestic companies violating a 1987 law against exporting missile technology.

INMATES STAGE HUNGER STRIKE

By Cathrine Gerson

JERUSALEM, Oct. 31 (JTA) -- About 1,600 inmates observed a one-day hunger strike in Israeli prisons Tuesday, to protest general conditions and the alleged brutality of their guards.

The strikers comprise roughly 30 percent of Israel's prison population in seven jails around the country.

It was the first such hunger strike organized in Israel, but the Prison Services claimed it wasn't genuine, saying the prisoners, as a rule, keep food in their cells.

Shuli Meiri, spokeswoman for Prison Services, said the complaints are not serious but will be carefully investigated in any case.

DIASPORA SHARE OF JEWISH AGENCY PLAN TO ABSORB SOVIETS WILL BE \$500 MILLION

By David Landau

JERUSALEM, Oct. 31 (JTA) -- Jewish communities in the Diaspora will be asked to raise \$500 million over the next five years to help finance Israel's absorption of Jewish immigrants from the Soviet Union.

The sum would represent the Diaspora share of a \$2 billion master plan to create the housing, jobs and infrastructure needed to absorb an estimated 100,000 Soviet Jews expected to immigrate to Israel in the next three years.

The plan was incorporated into a wide-ranging agreement reached by the Israeli government and the Jewish Agency for Israel at a meeting of their joint Coordinating Committee here Monday.

On Tuesday afternoon, the World Income Committee of the Jewish Agency Board of Governors voted unanimously to endorse the \$500 million campaign, which will come up for a full vote of the board on Thursday.

The Diaspora share will come from the proceeds of the United Jewish Appeal in the United States and the Keren Hayesod elsewhere in the world.

The \$500 million will be raised over and above regular campaigning for domestic and overseas needs, and will not cut into the separate local campaigns for Project Renewal, the United Jewish Appeal-financed rehabilitation program for economically depressed localities in Israel.

The remaining \$1.5 billion is to come from the Israeli Treasury. Finance Minister Shimon Peres has proposed raising \$500 million of that amount through commercial loans, for which he requested U.S. government guarantees. President Bush reportedly promised to personally facilitate them, when he met Peres in New York in September.

A special State of Israel Bonds drive may be floated to provide an additional \$100 million.

Agency's Income Is Shrinking

Howard Weisband, the Jewish Agency's director general, said in an interview this week that the Board of Governors is taking a hard look at various agency outlays, in the hope of diverting funds from other programs to absorption. Among the programs targeted for possible cuts are the agency's Settlement and Youth Aliyah departments.

Weisband noted that the agency's income from UJA and Keren Hayesod campaigns had not been increasing in the recent past. The \$360 million budget approved last February -- excluding World Zionist Organization and Project Renewal needs -- represented a decrease of \$28 million, he said, from the previous year.

This underscores the major fund-raising effort that will be needed throughout the Jewish world to meet the absorption needs spelled out in the plan approved Monday by the Coordinating Committee, Weisband said.

In a simultaneous effort paralleling the absorption of Soviet Jews, the Jewish Agency intends to coordinate all Jewish cultural projects currently planned for Jews remaining inside the Soviet Union.

Both undertakings were carefully reviewed, approved and budgeted at sessions of the Board of Governors here this week, chaired by Mendel Kaplan.

Regarding the work to be done inside the Soviet Union, agency officials referred to a blueprint calling for 32 "multipurpose shlichim" to be sent from Israel.

They would establish themselves in Soviet cities and set up "Jewish community centers" to provide the various services that Soviet Jews need, from synagogues to non-religious cultural activities.

Weisband stressed that the agency is now firmly resolved to take the lead in world Jewish involvement in the Soviet Union. It would coordinate all or most of the work being done now by such organizations as the World Jewish Congress, the Memorial Foundation for Jewish Culture and certain private foundations.

'Jury Is Out' On Soviet Aliyah

Ultra-Orthodox groups are the only ones unlikely to agree to be coordinated by the Jewish Agency, said Weisband, who pointed out that "only the agency has the resources and the infrastructure to provide shlichim and teachers."

He stressed that the overall purpose is to revive a long-dormant Jewish community, but one that would now be characterized by the strong centrality of Israel in all its Jewishly-connected activities.

Weisband admitted that the "jury is out" on the prospects of large-scale aliyah to Israel from the Soviet Union. What is clear is that the U.S. refugee quota for the 1990 fiscal year has already been exhausted by the number of applications filed.

Would-be emigrants, therefore, must decide now whether to go to Israel or wait another year or more before their applications to the United States come up for consideration and processing.

Looming large in such calculations will be the conditions of glasnost and perestroika in the Soviet Union, the strength and likely longevity of the present Kremlin administration, and the quality of life in the USSR today and in the foreseeable future.

Another factor is burgeoning anti-Semitism, unleashed by the general liberalization toward political movements in many areas.

The agency's cultural program, once it gets under way, would introduce a new dimension of Jewish knowledge and awareness into Soviet Jewish life and therefore into the decision-making of these potential emigrants, the agency director general maintained.

Finally, there is the establishment of "direct flights" from Moscow to Israel via Bucharest, Romania, or Budapest, Hungary. They would make the Israel option more attractive for those who chose it.

ISRAELI BALLET TO PERFORM IN USSR

By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- The thaw in Soviet-Israel cultural relations continued with the announcement Monday that Israel's Bat Dor ballet company will soon tour three cities in the Soviet Union.

The dance group will give 13 performances in Moscow, Leningrad and Vilna beginning late in November, at the invitation of the Soyuz Union of Soviet Theaters.

Bat Dor will appear in advance of the planned performances in the USSR of Israel's national theater, Habimah, and the much acclaimed Cameri Theater.

JULIUS BERMAN ELECTED PRESIDENT OF JTA BOARD

NEW YORK, Oct. 31 (JTA) -- Julius Berman has been elected president of the Jewish Telegraphic Agency, succeeding William Lee Frost, who has served as JTA president since 1985.

The announcement was made by Martin Fox, chairman of the JTA nominating committee, at the annual meeting of JTA's board of directors. JTA is the international agency that functions as the central news gathering and disseminating organization of world Jewry.

Berman, of Forest Hills, N.Y., is an attorney and partner in the New York law firm of Kaye, Scholer, Fierman, Hays & Handler, and is executive vice president and chief legal officer of Olympia and York (USA).

He attended Yeshiva University and New York University School of Law, and received his rabbinic ordination from the Rabbi Isaac Elchanan Theological Seminary of Yeshiva University.

A longtime director, officer and member of the JTA executive committee, Berman is a past chairman of the Conference of Presidents of Major American Jewish Organizations, honorary president of the Union of Orthodox Jewish Congregations of America and past president of the National Jewish Commission on Law and Public Affairs, or COLPA.

Berman is a member of the U.S. Commission on the Preservation of America's Heritage Abroad, co-chairman of the Joint Committee for the Preservation of Jewish Heritage in the Soviet Union, chairman of the Kashrut Commission of the O.U., and chairman of the Task Force on Missionaries and Cults of the New York Jewish Community Relations Council.

Has Withstood Polarization

He is also a member of many communal boards, including the executive committee and board of trustees of the American Jewish Joint Distribution Committee, and the boards of UJA-Federation of Greater New York, the Jewish National Fund and the Memorial Foundation for Jewish Culture.

Other officers elected were Frost, JTA board chairman; Martin Fox of Newark, N.J., vice chairman of the board; Robert Arnov of New York, chairman of the executive committee; Bennett Aaron of Philadelphia, Raymond Epstein of Chicago, Nat Kameny of Bergenfield, N.J., Ben Zion Leuchter of Vineland, N.J., Melvin Swig of San Francisco, Bernice Tannenbaum of New York and Marshall Weinberg of New York, vice presidents; Phillip Ritzberger of New York, secretary; Henry Everett of New York, treasurer; William Landau and Elcazar Lipsky, both of New York, past presidents; and Mark Seal, a native of Montreal, executive vice president.

In comments to the JTA board of directors after his election, Berman described JTA as an agency that faithfully, objectively and professionally covers the entire Jewish community and is owned by no one element within the community.

At the same time, he said, JTA has withstood the polarization and divisiveness that have increasingly come to dominate Jewish communal affairs.

Berman praised the outgoing president and committed himself to continue the tradition of excellence at JTA, which he said was the trademark of Frost's tenure as JTA president.

SOUTH AFRICAN DRAFT RESISTERS WIN PRAISE FROM REFORM LEADER

NEW YORK, Oct. 31 (JTA) -- A decision by 33 young South African Jews to refuse compulsory military service because of their opposition to apartheid has won praise from a leader of Reform Judaism here.

Rabbi Alexander Schindler, who is president of the Union of American Hebrew Congregations, praised the "courageous stand" of the South African Jews as "an expression of our Jewish faith and heritage."

He hailed their "commitment to the Jewish values which inspire them."

The 33 are among a group of 771 white South Africans who publicly declared last month that they would refuse to be drafted into the South African Defense Force (SADF) and wished to be registered as conscientious objectors.

In his statement, Schindler noted that there is no provision in South African law for conscientious objection or alternative service, and that each participant in the anti-conscription campaign faces an automatic prison sentence of six years.

"For these young men," the UAHC leader said, "the fight against racial inequality has become a most personal imperative."

In making their announcement, the 33 Jewish draft protesters spoke as proud members of the Jewish faith. They said:

"As Jews, members of a people who possess a religious tradition of social justice and who have endured a history of oppression, we have resolved not to serve in the SADF. Our opposition to being conscripted is based on our Jewish identity, which consists of religious, historical and cultural elements."

"We see our objection to serving in the SADF as an expression of our Jewish faith and heritage, and as loyal to the majority of South Africans," they said.

Two Jewish conscientious objectors -- David Bruce and Saul Batzofin -- are already serving prison terms for refusing military service.

According to Rabbi Clifford Kulwin, international affairs director of Reform Jewry's World Union for Progressive Judaism, most of the 33 young Jews are members or graduates of South African Reform Jewish institutions.

ISRAEL LOSES BID FOR WORLD CUP

By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- Israel's national soccer team narrowly failed to qualify for the World Cup games in Rome next year, but they thrilled millions of fans nevertheless by holding the vaunted Colombian team to a 0-0 draw at Ramat Gan Stadium on Monday.

The game was a rematch between the two teams, the Colombian 11 having beaten Israel 1-0 in Colombia two weeks ago. That left Israel behind its rival in overall points, which its players were unable to recoup.

The tie was next best to victory for the 50,000 fans who jammed the stadium, and the Israeli television audience estimated as high as a million, about a quarter of Israel's population.

A motion to cancel the Knesset's afternoon session so that members could watch the match was defeated after sharp debate in the morning.

But the Knesset session saw more empty seats than people, as most deputies were in the Knesset cafeteria watching the game on television.