

**ISRAEL DRAFTING ELECTION BLUEPRINT,  
DESPITE IMPASSE OVER CAIRO DIALOGUE**

By David Landau

JERUSALEM, Jan. 9 (JTA) -- Israel's Foreign Ministry has begun to prepare a detailed blueprint for conducting Palestinian elections in the West Bank and Gaza Strip, the Israeli daily Ha'aretz reported Tuesday.

The plans are going ahead despite unresolved obstacles to the election scenario and reports that Washington may be losing faith in the Israeli peace initiative, which it has actively supported until now.

Prime Minister Yitzhak Shamir, who launched the initiative last spring, appeared to indicate Tuesday that he expects the next step in the process to be delayed.

That step is a meeting U.S. Secretary of State James Baker proposed to hold in Washington this month with the Israeli and Egyptian foreign ministers.

Shamir said he favors the meeting, but that since it would require meticulous preparation, it might have to be postponed beyond January.

The purpose of the three-way meeting is to set terms for preliminary Israeli-Palestinian talks, which Egypt has offered to host.

A visit to Washington last month by Cabinet Secretary Elyakim Rubinstein apparently failed to produce any progress toward resolving several Israeli concerns.

In Washington, the State Department's deputy spokesman, Richard Boucher, said last Friday that "the meeting is still planned," but he could not announce a date.

**Baker Reportedly Losing Hope**

A report from Washington on Tuesday indicated that Baker despaired of such a meeting ever taking place. Diplomatic sources quoted him as telling the visiting foreign minister of Norway, Kjell Bondevik, that he may drop the initiative if prospects for a breakthrough continue to fade.

Nevertheless, a team of Foreign Ministry officials here, assisted by an expert from the Interior Ministry, is working on a comprehensive plan for implementing Palestinian elections, which will be submitted to Foreign Minister Moshe Arens.

According to the Ha'aretz report, the plan divides the West Bank and Gaza Strip into election districts. The terms of reference, however, rule out participation in the elections by Arab residents of East Jerusalem, Ha'aretz said.

That is consistent with Likud policy, which rejects the participation of East Jerusalem Arabs, on grounds that it would prejudice Israel's claim to full sovereignty over East Jerusalem, which Israel annexed in 1967.

Labor's position is that East Jerusalem Arabs may vote if the polling stations are located outside the city limits.

But the issue poses one of the major obstacles to the proposed Israeli-Palestinian dialogue in Cairo. Another fundamental question is who will represent the Palestinians at the dialogue.

As with the Jerusalem franchise issue, the Israeli government is split along party lines over whether to allow Palestinians from outside the

territories to participate in the Cairo talks.

Israel has rejected any role for the Palestine Liberation Organization, even an indirect one. Likud sees Palestinians from outside the territories as being connected with the PLO.

While the United States says it is not pressing for contacts with the PLO at this stage, the Americans have acknowledged in their discussions with Egypt that the PLO, in fact, plays a role on the Palestinian side.

Another obstacle to be overcome is the agenda of the Cairo dialogue. Israel wants it limited to working out the modalities of the Palestinian elections. The United States would allow either side to introduce other issues.

**U.S. AGAIN SAYS IT DOESN'T EXPECT  
ISRAEL TO NEGOTIATE WITH THE PLO**

By David Friedman

WASHINGTON, Jan. 9 (JTA) -- The Bush administration has again denied charges by some Israelis that the United States is trying to pressure Israel into negotiations with the Palestine Liberation Organization.

State Department spokeswoman Margaret Tutwiler said she and others in the State Department have said publicly "at least a hundred times that the United States is not and does not expect Israel to negotiate with the PLO."

"There is no debate about that in our country," Tutwiler added. "It has never been our view, and it is not what we are insisting they do."

Tutwiler was commenting in response to a statement made in Israel by Yossi Ben-Aharon, director general of the Prime Minister's Office, who said the United States could advance the move toward Israeli-Palestinian talks by clearly rejecting any role for the PLO.

"We feel somewhat uneasy that there is a reticence upon the part of the U.S. government to say clearly that the PLO will not be involved in that process," Ben-Aharon was quoted as telling reporters at a news conference. Such a statement by the United States "would solve the issue totally," he said.

**'Neither Optimistic Nor Pessimistic'**

Ben-Aharon observed that when the Bush administration discusses the peace process, it always uses the term "Palestinians," which some have interpreted to be synonymous with the PLO.

"If it is synonymous with the PLO, you have an obstacle; if it isn't, then we are in business," he said.

Tutwiler confirmed that a date has not yet been set by Secretary of State James Baker for him to meet here with the Israeli and Egyptian foreign ministers to lay plans for an Israeli-Palestinian dialogue in Cairo.

But she strongly denied reports that the meeting would not take place. She said working groups from the three countries are still discussing assurances sought by Israel and Egypt when they accepted Baker's five-point proposal for the Israeli-Palestinian dialogue.

Currently, Israel and Egypt have opposing positions on who would represent the Palestinians and what would be discussed at the Cairo talks.

Tutwiler said Baker "is neither optimistic nor pessimistic" that the peace process will go forward.

"He's a realist. He's working on the matter. He's trying to move progress forward. And he will stay engaged as long as there is reason to be engaged."

Asked if Baker still believes there is such a reason, Tutwiler replied, "As of today, yes."

### **SPATE OF ATTACKS FROM JORDAN MAY BE LINKED TO THE INTIFADA**

**By Hugh Orgel**

TEL AVIV, Jan. 9 (JTA) -- The recent proliferation of attacks on Israel from across the normally quiescent Jordanian border may be linked to the intifada in the West Bank and Gaza Strip.

There were seven incidents in 1989, compared to one in 1988, according to Israel Defense Force figures, and almost none in the previous years since 1970.

Defense Minister Yitzhak Rabin told an audience of school children in Ramat Gan on Monday that the 2-year-old Palestinian uprising was at least partly responsible for the upsurge.

More than half of Jordanian troops are Palestinian or of Palestinian descent, Rabin pointed out. Some have relatives or friends who have been wounded in the uprising in the West Bank and Gaza Strip, and they may be seeking revenge, he said.

Foreign news reports from Amman say the recent spate of border incidents has unnerved political circles in Jordan. They see them as a reflection of the growing influence of Islamic fundamentalists, who scored heavily in the recent Jordanian parliamentary elections.

The latest incident occurred Sunday, when an IDF patrol shot to death an armed infiltrator in the Hamat Gader region of the Golan Heights.

The intruder was subsequently identified as a Jordanian soldier missing from his unit. He was believed responsible for several recent attacks on IDF patrols in the area.

According to the IDF, he may have hidden out for days in an old pillbox fort, built by the Turks during World War I to guard the Hedjaz railroad.

Other cross-border attacks have been initiated by pro-Syrian terrorist groups.

The IDF's success in interdicting attacks from southern Lebanon may have prompted the terrorist groups to shift operations to the Hamat Gader region, where the Syrian, Jordanian and Israeli borders converge.

Infiltrators can enter Israel from Syria by crossing a small strip of Jordanian territory.

Defense Minister Rabin emphasized that it is Jordan's responsibility to halt such incursions. He said he is sure Amman wants to prevent gunmen from entering Israel from Jordanian territory.

But good intentions are not enough, he added. "We shall judge them first and foremost, by the results."

### **ABC TAPE DISPUTES IDF ON SHOOTING**

**By Hugh Orgel**

TEL AVIV, Jan. 9 (JTA) -- A videotape made by an American television crew in Bethlehem last month appears to contradict the Israel Defense Force's version of an incident in which a masked Palestinian youth was shot to death by border police.

The tape, broadcast in the United States by ABC News on Dec. 28, has been viewed by Maj. Gen. Yitzhak Mordechai, head of the IDF's Central Command, and by an IDF officer investigating the shooting.

It reportedly shows that 18-year-old Fadi Zabakly was shot while fleeing, without a warning shot being fired first.

IDF spokesman Nachman Shai was quoted as saying that the tape is "a challenge to the IDF's credibility." He did not elaborate.

The IDF account was that Zabakly and his companions, armed with axes and iron bars, were shot only after warning shots were fired into the air, and that the soldiers aimed at their legs.

A Jerusalem Post reporter who viewed the tape Monday said it shows Zabakly and about 10 other youths throwing stones and then running up a steep hill to get away from two border policemen.

Zabakly lagged behind the others. The camera shows one policeman kneeling and firing at the fleeing youth's back while the other fired a shot into the air.

### **PALESTINIANS HEED SELF-IMPOSED CURFEW**

**By Gil Sedan**

JERUSALEM, Jan. 9 (JTA) -- A general strike blanketed the West Bank and Gaza Strip on Tuesday as Palestinians observed a self-imposed curfew to mark the start of the 26th month of the intifada.

Shops were closed and streets deserted. There was no public transportation, and Palestinians employed in Israel stayed away from their jobs.

But young activists still clashed with Israel Defense Force soldiers. Five Arab youths were reported wounded by plastic bullets in Nablus.

Rubber bullets hurt three residents of the Tulkarm refugee camp. Three Arabs were reported wounded in the Gaza Strip.

Meanwhile, Maj. Gen. Yitzhak Mordechai, head of the IDF Central Command, held one of his periodic meetings with Palestinian dignitaries Tuesday, this time in the Hebron area.

The meetings are a routine for the IDF commander to "keep channels open." Political issues are not discussed.

### **SWISSAIR MAY TRAIN LIBYAN PILOTS**

**By Tamar Levy**

GENEVA, Jan. 9 (JTA) -- Swissair, the Swiss national airline, says it got the green light from the United States and Britain to train six Libyan pilots to fly the Airbus A-310, an aircraft whose sale to Libya is banned by an international embargo.

The Swiss authorities are furious, the newspaper La Suisse reported, because the airline did not apply for permission either to the Swiss government or civil aviation authorities here.

The Swiss government says it is disturbed, because the training could have a military application.

The Libyans acquired two A-310s from Caledonian Airlines, a private British company.

The embargo, imposed because of Libya's alleged involvement with terrorists, was circumvented with the help of French interests.

A Swissair spokesman said his company instructs pilots from all over the world and does not understand why it needs permission.

## HIGH COURT HEARS CASE ON ACCESS OF RELIGIOUS GROUPS TO SCHOOLS

By Howard Rosenberg

WASHINGTON, Jan. 9 (JTA) -- The Supreme Court heard oral argument Tuesday on whether a Nebraska high school receiving federal aid can refuse official recognition to religious groups wanting to use its facilities.

The case, Board of Education of the West-side Community Schools et al. vs. Bridget C. Mergens et al., pits an Omaha high school against Mergens, who as a high school senior tried unsuccessfully in 1985 to win official recognition from the school for a Bible-study group she wanted to hold after school hours.

Mergens and other students had been meeting informally during lunchtime at the school when the request was made and then refused by school authorities. Official recognition would have allowed the group to meet on school grounds after regular hours.

The case essentially tests the constitutionality of the Equal Access Act of 1984, which Congress passed, despite strong objections from Jewish groups. The law is aimed at preventing public schools from discriminating against religious clubs wanting to meet on school premises.

Most Jewish groups believe that such meetings violate the First Amendment's prohibition against government endorsement of religion.

In the Mergens case, the American Jewish Congress served as co-counsel to the school and largely wrote the brief filed on its behalf, although the school attorney argued it before the court Tuesday.

Submitting friend-of-the-court briefs backing the school were the American Jewish Committee and the Anti-Defamation League of B'nai B'rith, which did so in conjunction with the National Jewish Community Relations Advisory Council and the American Civil Liberties Union.

### Is Law Unconstitutional?

The Equal Access Act requires public schools that allow "one or more non-curriculum-related student groups to meet on school premises during non-instructional time" to grant the same access to religiously oriented groups.

Those schools that do not allow extra-curricular activities to take place on school grounds do not have to grant access to religious clubs.

In 1988, the federal district court in Nebraska ruled that the high school in question did not maintain such a "limited open forum," since it refused recognition of proposed activities not related to school curriculum. The school therefore did not violate the Equal Access Act.

But last February, the 8th U.S. Circuit Court of Appeals in St. Louis reversed the district court, arguing that the school did maintain a "limited open forum" by granting recognition to a chess club.

The appeals court viewed the chess club as an extra-curricular activity. The lower court had considered the chess club an extension of the math curriculum.

In its brief, AJCongress and the school argued that the Equal Access Act "unconstitutionally establishes religion, particularly when enforced against a school which permits informal religious meetings, but refuses to grant them official sanction."

But Michael Lieberman, associate director and counsel at ADL, said it "seems unlikely" that

the Supreme Court will rule that the act is unconstitutional.

Lieberman said he would be satisfied if the court upheld the right of the Nebraska school to refuse official recognition to religious groups wanting access to school grounds.

### Groups Adopt 'Narrower Approach'

Amy Adelson, staff attorney for AJCongress, said a tactical decision was made to focus on the specific facts of the case, and not on the overall act, given the "conservative" nature of the Supreme Court.

"We were hoping for more success on a narrower approach" that would "eliminate a lot of Bible clubs from schools," she said.

Oral argument Tuesday focused on the distinction between "curriculum related" and "non-curriculum related," as included in the Equal Access Act.

Jay Sekulow, Mergens' Washington lawyer, told the Supreme Court that schools should allow students to meet after school to "read the Bible, pray and encourage each other," to gain greater insight into "issues of the day," such as abortion, homosexuality and drug abuse.

Lieberman of ADL said in an interview that moral training should not be considered an extension of a school's curriculum, because it constitutes "indoctrination."

The Supreme Court is expected to issue a ruling before it adjourns for the term in June.

### GAD YA'ACOBI REPLACES WEIZMAN AS LABOR MEMBER OF INNER CABINET

By Hugh Orgel

TEL AVIV, Jan. 9 (JTA) -- Communications Minister Gad Ya'acobi was chosen Monday to replace Ezer Weizman as a Labor Party member of the powerful Inner Cabinet, composed of six senior ministers each from Labor and the Likud bloc.

He was to attend his first meeting of the government's top policy-making body on Wednesday.

Weizman resigned Jan. 2, in a deal that allowed him to retain his portfolio as minister of science and development in the larger Cabinet.

He had been summarily fired from the government by Prime Minister Yitzhak Shamir on Dec. 31, because of his alleged contacts with officials of the Palestine Liberation Organization.

The compromise is credited with averting a Labor-Likud coalition crisis.

Ya'acobi, a 54-year-old Tel Aviv University graduate with degrees in economics and political science, was the choice of Vice Premier Shimon Peres, the Labor Party leader, to succeed Weizman. Shamir assented.

Ya'acobi has served as a minister in previous governments and as a member of the Knesset's Foreign Affairs and Defense Committee. He was also a member of the Israeli delegations to the United Nations and to the Council of Europe.

Ya'acobi, described as a liberal intellectual, is a published poet. He shares many of Weizman's dovish views, but unlike the flamboyant former air force commander, who switched to Labor from Likud late in his political career, Ya'acobi is known for his measured, understated style of discourse.

He is regarded as politically closer to Peres than to Labor's No. 2 man, Defense Minister Yitzhak Rabin.

## ISRAELI ECONOMY IN DIRE STRAITS AS JOBLESS RATE REACHES NEW HIGH

By Gil Sedan

JERUSALEM, Jan. 9 (JTA) -- After a mild recovery in September and October, Israel's economy is once more in a perilous state, its most alarming feature being rising unemployment.

The number of jobless reached a new high of 51,300 last month, a 6.3 percent increase over the previous month.

It was attributed mainly to the ending of the agricultural season, with a 20 percent drop in the need for farmhands.

But the unemployment trend shows no sign of reversing, and that is bad news for the absorption of the tens of thousands of Soviet Jewish immigrants expected to arrive this year, many of whom, moreover, lack vocational training for Israel's job market.

Further aggravating matters, the number of Palestinian workers from the West Bank continues to grow. About 31,000 hold work permits, but unofficially there are many more.

Unemployment itself is a symptom of a deepening recession, which Finance Minister Shimon Peres described as "catastrophic" during an appearance he made before the Knesset's Labor and Welfare Committee on Monday.

Peres has been accused by some of his Labor Party colleagues of deserting socialist values. "We should inject money like capitalists, to share it like socialists," he told the Knesset members.

Some of the woes faced by Peres are a 5 percent decrease in state income last month, compared to the same month the year before, and a 20 percent inflation rate, which is rising.

Shopkeepers are complaining of a falloff of business, while economists worry that the government's decision to raise the value-added tax from 15 to 16 percent will be used by business to raise prices even more.

Meanwhile, the country's foreign currency reserves are dwindling, with expectations of a new devaluation of the shekel.

On Monday, the Knesset approved a supplementary budget of 4.2 million shekels (\$2.2 million).

## ISRAELI TENNIS STAR MANSDORF CRITICIZED FOR POST-GAME REMARK

By Hugh Orgel

TEL AVIV, Jan. 9 (JTA) -- Israeli tennis star Amos Mansdorf was criticized by the Israeli Embassy in New Zealand for remarking in a post-game interview that he would have played in Nazi Germany had he been around at the time.

Mansdorf later explained his remarks by saying he was baited by an anti-Semitic crowd, while winning a tournament Monday in Auckland, New Zealand.

His words, though ill-advised, were intended to make the point that sports and politics should not be mixed, according to leaders of New Zealand's Jewish community, who defended the young Israeli sportsman.

Leslie Max, secretary of the New Zealand Jewish Council, said in a telephone interview with Israel Radio that Mansdorf was goaded by anti-apartheid demonstrators who shouted at him to "go home" because he has played in South Africa in contravention of an international tennis boycott.

"I would say that New Zealanders, Jewish or

otherwise, who have watched the antics of these particular protesters over the years would realize the possibility that Mansdorf was speaking unadvisedly purely out of frustration," Max said.

"This was the third time in succession that he has been subjected to these tactics," she added.

According to Max, six or seven other participants in the tournament, sponsored by the Benson & Hedges tobacco company, also played in South Africa.

But Mansdorf was singled out. Only his name appeared on the placards waved during the game and he was the only player verbally insulted, she said.

Mansdorf himself described the demonstration as anti-Semitic.

Israeli sports and tennis authorities say they are waiting for a fuller report of the incident before deciding whether to take action against Mansdorf.

He is reportedly holed up in his hotel room and refuses to take calls.

There are about 4,000 Jews in New Zealand, out of a general population of 3.2 million.

## HABIMAH PERFORMANCE IN MOSCOW SHOWN ON TV IN USSR, NOT ISRAEL

By Hugh Orgel

TEL AVIV, Jan. 9 (JTA) -- Soviet television viewers were treated Monday night to footage of Israel's national theater, Habimah, performing at a Moscow theater for the first time since the Russian Revolution.

The famous company is on a tour of the Soviet Union, where it originated more than 70 years ago.

But Israeli audiences were denied a glimpse of Habimah's historic return to its roots.

Elaborate plans by the Israel Broadcast Authority for a special program from the Soviet capital via satellite failed to materialize.

The Israeli television journalists and technicians sent to prepare it were stuck in Vienna on opening night because their Soviet visas had not arrived.

Even if the visas had been at hand, the broadcast was problematic.

The television workers union instructed its members before they left for Moscow to hold up transmission pending the settlement of a wage dispute and the payment of salary increases promised months ago.

Soviet television broadcast excerpts from "Sunset," one of the two plays Habimah is presenting to Soviet audiences. It was followed by an interview with one of the actors.

## POST OWNERS CONSOLIDATE THEIR HOLD

By Hugh Orgel

TEL AVIV, Jan. 9 (JTA) -- The Canada-based Hollinger newspaper chain consolidated its ownership of The Jerusalem Post on Monday by buying the minority interest held by Bank Hapoalim.

Hollinger, which in April bought a controlling interest in the newspaper from the Histadrut-owned Koor Industries, will pay the bank \$4.3 million in two installments this year for its 42.5 percent share in The Palestine Post Ltd., The Jerusalem Post's parent company.

Hollinger owns about 200 newspapers and periodicals in Canada and Britain. It now holds 98 percent of Israel's only English-language daily.