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**HOUSE PASSES FOREIGN AID BILL
INCLUDING \$6.2 BILLION FOR ISRAEL**

By Howard Rosenberg

WASHINGTON, June 20 (JTA) -- A total of \$6.2 billion in aid to Israel over the next two years sailed through the House of Representatives on Wednesday as the 1992-93 Foreign Aid Authorization Bill passed by a vote of 301 to 102.

The measure provides Israel with \$3 billion in all-grant aid in the 1992 fiscal year and \$3.2 billion in fiscal 1993.

In each year, Israel would receive a \$1.2 billion grant for economic aid, while its military grant would go from \$1.8 billion in 1992 to \$2 billion in 1993.

Aid to Jordan, set at \$27 million by the House Foreign Affairs Committee, was eliminated by a 410 to 4 vote deemed a setback for the Bush administration.

The money could go to Jordan, however, if President Bush certifies that it has "taken steps to advance the peace process in the Middle East, or that furnishing assistance to Jordan would be beneficial to the peace process in the Middle East."

That language, sponsored by Rep. David Obey (D-Wis.), was approved by voice vote to modify an earlier amendment by Rep. John Miller (R-Wash.).

Miller's amendment would have required Bush to certify that Jordan has recognized Israel's right to exist.

State Department spokesman Richard Boucher was displeased even by the modified amendment.

"We think that rigid legislation prohibiting or restricting aid to Jordan would remove a key tool we have to respond to improved Jordanian behavior," Boucher said.

"Such legislation could inhibit Jordan's effort to return to its traditionally moderate and helpful role in the area," he added.

The administration apparently is seeking to improve U.S.-Jordanian relations, which were severely strained when King Hussein supported Saddam Hussein of Iraq in the Persian Gulf War.

The authorization bill also calls for a freeze on sales of major weapons systems in the region.

Meanwhile, the appropriations bill that would actually supply the money was approved by the Foreign Affairs Committee last week, but has not yet reached the House floor.

The House overwhelmingly defeated an amendment by Rep. John Bryant (D-Texas) that would have cut Israel's aid package by \$82.5 million in 1992. That figure is roughly equal to the amount the Israeli government spent last year to expand Jewish settlements in the West Bank and Gaza Strip.

Under the Bryant amendment, which failed by a 378-to-44 vote, Bush could have allowed Israel to receive the money if Israel demonstrated that it was not investing "in new and expanded settlements in the West Bank and Gaza, other than Jerusalem."

Rep. Lee Hamilton (D-Ind.), chairman of the Foreign Affairs subcommittee on the Mideast, spoke against the amendment.

"We are going to stop the settlements only through the peace process itself," he said.

**WHITE HOUSE WILL BLOCK U.N. TALKS
AS LONG AS PEACE PROCESS CONTINUES**

By David Friedman

WASHINGTON, June 20 (JTA) -- The Bush administration, still trying to woo Israeli Prime Minister Yitzhak Shamir into accepting its ideas for a Middle East peace conference, has promised Jerusalem that so long as Secretary of State James Baker's proposals remain open, the United States would block any U.N. Security Council discussion of the Arab-Israeli conflict.

Baker made the offer in a letter to Shamir, which he gave to Prime Minister David Levy when they met at the State Department last Thursday.

The proposal was outlined to American Jewish leaders at a meeting with Baker later that day, Malcolm Hoenlein, executive director of the Conference of Presidents of Major American Jewish Organizations, said Wednesday.

Hoenlein confirmed that Baker said the United States would use its veto power to prevent any discussion of the Middle East process in the Security Council. It would include any attempt to move the negotiations from the region to the United Nations.

The offer was seen as an attempt to get around Shamir's rejection of any U.N. role in Middle East negotiations.

Shamir made clear in a letter to President Bush, dated June 6, that he would not accept even a limited U.N. presence as an observer at the conference.

Shamir also rejected Baker's proposal that the conference could be reconvened if bilateral negotiations between Israelis and Arabs were to bog down.

Both proposals were aimed at Syria, which wants an international conference under the auspices of the five permanent members of the Security Council -- the United States, Britain, Soviet Union, France and the People's Republic of China.

Israel rejects that out of hand.

It would accept only a conference hosted by the United States and the Soviet Union. But Jerusalem insists that the conference disband permanently after serving as the ceremonial opening to bilateral talks.

Shamir's letter to Bush came in response to a letter the U.S. president sent to all Middle East leaders with whom Baker had spoken during his shuttles through the region following the Gulf war. His letter urged more flexibility.

So far, only Israel and Jordan have replied, neither to Washington's satisfaction.

**ARENS LOOKS INTO JOINT VENTURES
WITH SOVIETS IN CIVILIAN AVIATION**

By Michel Di Paz

PARIS, June 20 (JTA) -- Israeli Defense Minister Moshe Arens, visiting the Paris Air Show on Thursday, explored the possibility of joint ventures in civilian aviation with the Soviet minister of aircraft production.

He was also subjected to a hard sell at the Soviet pavilion, where he was told that Israel could solve all of its air defense problems by buying the new MIG-31 jet fighter.

Arens seemed most impressed by his conversation with a Mr. Systov -- the man in charge of the Soviet aircraft industry.

"This is the first time in history that an Israeli defense minister has met with a Soviet minister of aircraft production," he told the Jewish Telegraphic Agency.

"I suppose you might call this a breakthrough," Arens said.

But he cautioned not to "interpret this as bringing about any radical change in Israeli-Soviet relationships."

Those changes will be "determined in other areas and by other issues," he said, alluding to the restoration of full diplomatic relations with Israel that Moscow broke in 1967.

Nevertheless, Arens admitted that relations between Israel and the Soviet Union have improved notably during the last two years.

"Attempts have been made by the Soviet Union to see if they could enter into commercial relations with us, and in the area of aeronautics they've examined the possibility of some cooperative projects," said Arens, who is an aeronautical engineer by training.

He and Systov discussed an improved version of the ASTRA executive jet, a long-range private civilian aircraft manufactured by Israel Aircraft Industries.

"We're seriously looking into it," Arens said, although there is nothing definite yet about a joint project with the Russians.

The possibility discussed, said Arens, was having the body of the ASTRA built in the USSR, and the rest of the plane assembled in Israel.

A member of the Soviet delegation said the improved ASTRA would have a 3,968-mile range, making it highly competitive in the transatlantic corporate jet market.

The current version has a range of 3,224 miles.

Systov's deputy, Vladimir Ivanov, said that "once the relations between both our countries will be restored in the near future, we will be able to provide Israel with all kinds of equipment, including air defense."

Valery Pinitzky, the Soviet military industry's chief test pilot, collared Arens to extol the virtues of the MIG-31, which he claimed was "the best fighter you can buy."

According to Pinitzky, Israel would need only three of them to command the air.

Arens told JTA later that, for the time being, the bulk of combat aircraft Israeli imports is from the United States and that he sees no reason to change.

TWO SETTLERS ARRESTED FOR THE MURDER OF TWO ARABS

By Gil Sedan

JERUSALEM, June 20 (JTA) -- The police arrested two Jewish settlers in the West Bank on Wednesday on suspicion of murdering two Arabs for political motives.

The prime suspect, not immediately identified, was said to be a 22-year-old man who formerly lived in Beersheba, and is currently a resident of Elon Moreh, a settlement in the Samaria region near Nablus.

Police said Thursday that he confessed and re-enacted the crime.

He and an alleged accomplice from Elon Moreh, who, police said, helped to conceal evidence, will appear before a magistrate Friday in

Kfar Sava to have their detention in custody extended.

One victim, Jamil Duikat, 22, from Azmut village near Nablus, was found slain in January. The other, Habiballah Radi Al-Awna, 50, lived in Beita village in the vicinity of Nablus. He was murdered in April.

Police suspect the murders were not politically motivated, pointing out that the victims had not been robbed.

But the alleged killer has a criminal record spanning a four-year period. During that time, he served several months in jail for shooting another resident of Elon Moreh, police said.

PLO TO WITHDRAW ARMED FORCES FROM SOUTHERN LEBANON

By Hugh Orgel

TEL AVIV, June 20 (JTA) -- The Palestine Liberation Organization has reportedly agreed to withdraw its armed guerrillas from southern Lebanon.

According to reports Thursday from Sidon, the PLO will hand over its positions in and around the port city in southern Lebanon to the Lebanese army.

But it insists on maintaining an armed presence in the two large Palestinian refugee camps nearby, the reports said.

The agreement to redeploy some of its guerrillas comes as the Lebanese government, backed by the Syrians, tries to reassert control after years of war.

Israel is not certain whether PLO guerrillas from Sidon will be allowed to redeploy further south, from where they could launch attacks against Israel.

Should the guerrillas move further south, Israeli sources said it was possible the guerrillas might clash with the Israeli-financed South Lebanon Army that patrols Israel's southern Lebanon security zone.

RABID DOG PUTS TEL AVIV ON ALERT

By Hugh Orgel

TEL AVIV, June 20 (JTA) -- The Tel Aviv area was placed on a rabies alert Thursday after an infected dog was found on a beach just north of the city.

People recently bitten or scratched by stray animals were warned to visit a clinic immediately for rabies shots.

Pet owners were urged to make sure their animals were immunized and were ordered to keep dogs leashed and muzzled when out of doors.

The diseased dog, a mongrel that died Tuesday at a municipal pound, was the first confirmed case of rabies in the Tel Aviv area in years.

The Veterinary Services of the Health and Agriculture ministries issued the alert after learning of three other cases of rabies discovered in the coastal plain recently: two in the Netanya area and one in Rishpon, north of Tel Aviv.

Fifty cases of rabid animals were reported in Israel in 1989 and 56 in 1990, compared to an average of 25 a year in previous years. Twelve have been reported this year.

Veterinarians say the increased incidence of rabid dogs in the Greater Tel Aviv area may be due to the abandonment of pets by owners who evacuated the city to escape Iraqi Scud missiles during the Persian Gulf War last winter.

**JEWISH GROUPS DIVIDED
OVER BUSH'S VOUCHER PLAN**

By Howard Rosenberg

WASHINGTON, June 20 (JTA) -- Jewish groups are divided over President Bush's voucher plan, which would provide aid to parents while allowing them the choice of sending children to either public or private school.

Among the groups opposing the plan are the American Jewish Committee, American Jewish Congress, Anti-Defamation League, National Council of Jewish Women and the Union of American Hebrew Congregations.

In support of the plan are Agudath Israel of America and the Union of Orthodox Jewish Congregations of America.

The president's plan, introduced in late May, would amend the existing Chapter I program, which provides remedial services to students at low-income schools -- including religious and other private schools.

Under the president's plan, instead of being provided services, eligible students would be given vouchers which they could use to purchase either remedial education in the public schools or for tuition at religious and other private schools.

As a courtesy to the president, the bill was introduced by several senators, including Sens. Edward Kennedy (D-Mass.) and Orrin Hatch (R-Utah), the highest-ranking Democrat and Republican on the Labor and Human Resources Committee.

Kennedy has also introduced his own choice-in-education bill. The senator's bill does not include incentives for private school enrollment.

Last week, at a congressional hearing of the labor committee, Kennedy, the committee chairman, told Education Secretary Lamar Alexander of his continued "serious reservations about the administration's proposal to turn Chapter I into a voucher program, and to include private schools in a choice program."

Sen. Howard Metzenbaum (D-Ohio) told Alexander that the president's proposal would be "destructive to the American public school system."

Democrats opposing the president's bill were Claiborne Pell of Rhode Island, Metzenbaum and Paul Simon of Illinois. Nancy Kassebaum, a Republican from Kansas, also expressed concern.

Metzenbaum argued that the quality of public schools would decline as better students would, as a result of tax incentives, opt to attend private schools.

"Frankly, you're going to ruin the lives of millions of kids," he said. "And our school system is bad enough."

He singled out, for instance, the public schools in Cleveland, which he called "abominable."

Alexander defended the president's proposal by replying that "every school is different in America."

Parents should be able "to choose among those schools for their children" as "a fundamental part of creating the kind of education we believe America needs," he said.

In testimony before the Labor and Human Resources Committee, David Zwiebel, Agudah's legal and government affairs director, called for support of the proposed incentive plan. He cited Supreme Court decisions upholding instances of government funding being used for education expenses at private schools.

But Marc Stern, legal director of AJCongress, said that such a flow of funds has been only narrowly endorsed by the Supreme Court.

Moreover, Stern said, the amount under the proposed incentive program, while uncertain, would probably not exceed some \$600 per child per year, "nowhere nearly enough to cover a year's expense at a parochial school anyway."

"It is not going to increase choice, because if you can't afford the rest, \$600 will not make a difference. So it's really just a subsidy for religious schools," he said.

Mark Pelavin, AJCongress' Washington representative, said the prestige of Bush's proposal having been introduced by Kennedy and Hatch works against his group's position.

The president is thus "guaranteed at least that his proposals will get a hearing before the committee."

**BANK LEUMI SEEKS TO RECOVER
MILLIONS FROM FORMER CEO**

By Hugh Orgel

TEL AVIV, June 20 (JTA) -- Bank Leumi is trying to recover at least part of the \$3 million in retirement benefits paid to a former chairman forced to resign in Israel's largest bank scandal.

Attorneys for Bank Leumi are arguing that the retirement benefits are excessive and that they were not approved according to the rules.

The former bank chairman, Ernest Japhet, resigned in 1986 after an investigatory commission found that collusion by bank officials led to the collapse of bank-issued securities in 1983.

The civil suit opened Wednesday in Tel Aviv District Court and is expected to last a few months.

The suit is one of the legacies of Israel's 1983 securities scandal, when securities issued by Israel's five largest banks suddenly collapsed on the Tel Aviv Stock Exchange, wiping out the savings of thousands of investors.

A special commission of inquiry headed by Chaim Beisky, a member of the High Court of Justice, found that collusion between the heads of the banks artificially inflated the price of the shares -- while the public was kept unaware of their rapidly diminishing value.

The commission's report, released on April 20, 1986, recommended that the bank chairmen be forced to resign within 30 days and that they be barred from ever working again for Israeli banks.

Japhet resigned as chairman and chief executive officer of Bank Leumi and moved to New York. He did not return calls to his Manhattan residence this week.

Bank Leumi charges that Japhet ran the bank as if it were his personal property, and rarely consulted with its other officers.

The attorneys told District Court President Michael Ben-Yair that Japhet drew up his own retirement package and then had it approved without a full board meeting, as was required.

According to the bank, his retirement benefits should be a pension equal to 70 percent of Japhet's last monthly salary. The bank wants Japhet to return the difference.

Japhet's defense, which will be presented in court next week, emphasizes his past contributions to the bank. His attorneys will argue that his severance pay and pension package was established before he became chairman of the board.

RACIST GROUPS FIND FORUMS ON PUBLIC-ACCESS AIRWAYS

By Debra Nussbaum Cohen

NEW YORK, June 20 (JTA) -- Turn on your television and flip to the public-access cable channel, and you may find yourself watching Tom Metzger interview an extremist who shares his white-separatist, anti-Jewish, anti-black views.

The production values may not be sophisticated, and Metzger may not be vying for Jay Leno's job as the new host of "The Tonight Show," but the White Aryan Resistance leader is regularly broadcasting his message of hate to a potential viewing audience of millions of cable subscribers across the country.

And he is doing it for free.

Metzger and several other extremists are taking advantage of a medium available to every resident of the nation's 1,577 communities with public-access television.

Public-access television stations are prohibited by the federal Cable Communications Policy Act of 1984 from exercising any editorial control over a program, except for programming that is obscene or otherwise unprotected by the Constitution.

Though racism may be obscene to many, the legal measure of obscenity in this country is limited to sexual content.

So if a White Aryan Resistance supporter in your community submits an episode of Metzger's program, "Race and Reason," for broadcast, then the public-access station is legally required to air it.

In the largest 100 television markets in the country, 24 stations currently broadcast programs that preach racial and religious hatred, according to a new report by the Anti-Defamation League.

According to "Electronic Hate: Bigotry Comes to TV," these 24 stations have recently aired 57 different programs, including Metzger's "Race and Reason," "The Other Israel," "Airlink," "Crusade for Christ and Country," "Our Israelite Origin" and "The Joe Goyim Show."

Millions Of Households

Louis Farrakhan's Nation of Islam and the Institute for Historical Review, a group that denies the existence of the Nazi Holocaust, also provide videotapes for broadcast.

Although no exact figures exist for the number of public-access television viewers, the cable networks reach millions of households.

And according to a study in progress by the National Clearinghouse on Audience Research for Community Cable Broadcasting at Western Michigan University, cited in the ADL report, as many as three-quarters of cable subscribers who get public-access TV tune in to it at least once a month.

Even if just a small percentage of those subscribers watch the hate programming, the racists have reached tens -- if not hundreds -- of thousands of viewers, the ADL report notes.

While the content of the programs is all about hate, the way the various programs are packaged and their level of sophistication vary tremendously -- from simple one-on-one interviews to professionally produced shows.

"Race and Reason" was probably the first hate program to be aired on public-access stations, and was first seen soon after the Cable Act was enacted in 1984.

It is also the most widely viewed hate

program; it airs -- or has aired recently -- on 31 public-access stations.

The format never varies. Fifty-two-year-old Tom Metzger, a television repairman from Fallbrook, Calif., former Grand Dragon of the Ku Klux Klan and the founder of the White Aryan Resistance, interviews spokesmen of other racist groups.

One recent viewer in Pittsburgh compared the appeal of the program to "a bad 'Saturday Night Live.'"

It gets such wide play because a single episode of "Race and Reason" gets "bicycled from community to community" where local supporters submit it to the public-access station in their town, says Carl Kucharski, chair of the public-policy committee of the National Federation of Local Cable Programmers.

Sophisticated And Appealing

By contrast, "The Other Israel" is, by some accounts, more dangerous because the quality of its production makes it much more sophisticated and appealing.

Produced and narrated by Ted Pike, "The Other Israel" is a "slick, professional film which uses a good deal of artwork and footage from various legitimate sources," the ADL report states.

It is currently shown on four cable networks, according to the ADL report, and an Arabic-language version of the program has also been shown several times.

Community response to programs like these has ranged from indifference to outrage, expressed in demonstrations, statements and newspaper articles.

Robert Purvis, legal director of the National Institute Against Prejudice and Violence, a Baltimore-based research, resource and educational organization, says the most effective way of responding to hate programming is by supporting the First Amendment.

"Although the focus of controversy may be a racist cable program, the racist program should be viewed as only part of the problem facing the community," Purvis asserts in his report, "Bigotry and Cable TV: Legal Issues and Community Responses."

A Springboard For Action

"Public access should be supported as a First Amendment forum, and exploited as an integral part of a comprehensive strategy of prevention and response to prejudice."

Rather than challenge the protection of racist speech under the First Amendment or try to silence the racists by eliminating public access altogether, those opposed to racism should "learn how to use this powerful medium," he says.

When the broadcast of a racist program generates no local controversy, a low-key response should be considered, such as the submission of a positive program for broadcast, Purvis says.

But where controversy over racist cable programming does exist, it should be used as a springboard for action.

"Recognize controversy as an opportunity, not necessarily a problem," he says. "It means people care and are actively concerned about racism. Be prepared to channel this in positive directions" like the introduction of an ethnic intimidation statute into the state legislature, or the establishment of victim assistance programs.