

**ISRAEL SAYS 'YES,' BUT PALESTINIAN REPRESENTATION REMAINS UNRESOLVED**

By David Landau

JERUSALEM, Aug. 1 (JTA) -- Prime Minister Yitzhak Shamir announced Thursday that Israel is willing to participate in a Middle East peace conference, subject "to a satisfactory solution of the issue of Palestinian-Arab representation in the Jordanian-Palestinian delegation."

He said he would bring the matter before the Cabinet on Sunday and recommend approval.

Shamir made the announcement after a 90-minute meeting with U.S. Secretary of State James Baker, who flew here from Moscow on Thursday morning and appeared elated by Shamir's qualified "yes."

President George Bush and Soviet President Mikhail Gorbachev announced Wednesday in Moscow that they would jointly convene a regional conference in October, to which all parties concerned would be invited. Bush dispatched Baker to Jerusalem to get Israel's assent.

"That is the 'yes' we were hoping for from the Israelis," said Baker, sporting a broad smile.

He went on to observe, "It is fitting that today, just hours before the anniversary of Iraq's brutal invasion of Kuwait, we are here talking peace."

Iraqi troops marched into Kuwait on Aug. 2, 1990.

"Because aggression was defeated, that gives moderation a chance to come forward and to bloom," Baker said.

He called the Israeli response "extraordinarily positive and significant."

Shamir's meeting with Baker was attended by Foreign Minister David Levy and Defense Minister Moshe Arens.

Their agreement included two significant concessions by Israel.

A non-participating U.N. observer will attend the peace conference and the conference could be reconvened after its ceremonial opening, if Israel approves.

Israel had long objected to any U.N. presence, even a passive one. It had also insisted that the conference disband permanently as soon as direct bilateral talks began.

Palestinian representation remains the knottiest issue to be resolved.

Israel absolutely refuses to meet with Palestinian residents of East Jerusalem or with anyone connected with the Palestine Liberation Organization.

Jerusalem is at odds with the United States over a proposed memorandum of understanding between them that would permit an East Jerusalem resident in the Palestinian delegation when the second round of negotiations on autonomy begins in three years.

East Jerusalem residents are excluded from the first round of talks by agreement between the United States and Israel. But no memorandum was signed.

The issue of the second round was left purposely unresolved.

The American secretary of state is scheduled to meet with a delegation of Palestinians before he leaves Israel on Friday.

**OPPOSITION LENDS POLITICAL SUPPORT TO SHAMIR'S ACCEPTANCE OF U.S. PLAN**

By David Landau

JERUSALEM, Aug. 1 (JTA) -- Labor Party Chairman Shimon Peres congratulated Prime Minister Yitzhak Shamir on Thursday night for giving a positive response to U.S. Secretary of State James Baker on the planned Middle East peace conference.

Peres' move, a rare gesture in Israeli politics, bolstered Shamir's political strength and rendered less effective the threats from the Likud's far-right coalition partners to bolt the government if the conference takes place.

There was no sign, however, that Shamir is contemplating re-forming a unity government with Labor. On the contrary, the premier took time out Thursday to meet with Tehiya leader Yuval Ne'eman and other far-right figures, in an effort to persuade them that they have no reason to quit - or threaten to quit -- the coalition.

At the other end of Israel's political spectrum, the Hadash Communist Party also welcomed the conference, but insisted the Palestine Liberation Organization is the sole legitimate spokesman of the Palestinians and that it should determine the makeup of the Palestinian delegation.

The small factions to the left of Labor reacted warmly to the latest developments, calling the announced peace conference "excellent news for peace-loving Israelis, who are by far the majority of the country, and very bad news for the right wing."

Labor's position was more fully articulated by the party's No. 2 leader, Yitzhak Rabin, a former prime minister and, until last year, minister of defense.

Rabin said the opportunity offered by the Bush-Gorbachev announcement was "not the best opportunity, but a very good opportunity that must not be missed."

He explained that he thought the "best opportunity" had come and gone in the spring of 1990, when Likud rejected the idea of a conference with the Palestinians hosted by Egypt.

The Likud-Labor national unity government collapsed over that issue.

Now, Rabin said, Israel will face simultaneous talks with the Syrians, the Palestinians and other local parties which, obviously, will be less convenient.

Nevertheless, the bottom line of all concerned is to achieve a comprehensive peace, Rabin said.

He advised the government to deal with one front at a time -- the Syrians or the Palestinians -- and turn to the other only after a breakthrough has been achieved in the first.

The Center-Shinui Movement, Citizens Rights Movement and Mapam issued a joint statement accepting Shamir's positive, albeit qualified, answer to Baker.

The leftist parties warned, however, against stubbornness on unimportant details, which could derail the peace process.

According to Mapam leader Yair Tshan, many Likud Knesset members "know in their hearts that peace will only be achieved by compromises with the Palestinians and the Syrians."

**AMERICAN JEWISH COMMUNITY WELCOMES SHAMIR'S ACCEPTANCE OF PEACE PROPOSAL**  
By Debra Nussbaum Cohen

NEW YORK, Aug. 1 (JTA) -- American Jewish organizational leaders have welcomed Israel's conditional acceptance of an invitation to a Middle East peace conference, and are eager to ensure that the concessions Israel has already made are not overlooked as negotiations on the composition of the Palestinian delegation continue.

"Israel is the only party to the talks that is putting its life and security on the line," said Malcolm Hoenlein, executive director of the Conference of Presidents of Major American Jewish Organizations.

"Palestinian representation is a vital issue for Israel, and the prime minister wants to be sure agreement with the United States still exists, and previous assurances still obtain," he added.

Alfred Moses and David Harris, president and executive vice president, respectively, of the American Jewish Committee, urged that Israel's refusal to negotiate with Palestinians from East Jerusalem or from outside the West Bank or Gaza, or with PLO members, "be fully appreciated."

They explained, in a joint statement, that if a Palestinian from East Jerusalem were to be included it "could put into question Israel's eternal sovereignty over united Jerusalem."

Diaspora Palestinians should be excluded "since Israel is dealing only with Palestinians in the territories, not with those whose claims are to Israel proper." P.L.O. members, too, should be excluded, "since this is a group whose very covenant calls for Israel's destruction."

At the World Jewish Congress, executive director Elan Steinberg said that "our chief concern is that Palestinian inflexibility may sabotage the talks.

"Painful concessions have already been made by Israel procedurally, on the presence of a U.N. observer and the whole notion that bilateral talks will not begin until after a conference. Even surrounding Arab states have made concessions."

It would be "tragic if the Palestinians were again to miss an opportunity by derailing the progress that has already been made," Steinberg added.

Concern over Israel's security was foremost in the minds of many, "especially in light of the historical record of Arab attacks against Israel and her civilian population," said Arden Shenker, chairman of the National Jewish Community Relations Advisory Council.

The lone voice not welcoming of Shamir's commitment to Secretary of State James Baker was Herbert Zweibon, chairman of Americans for a Safe Israel, a right-wing group which supports Israel's claims to territory in all of "Western Palestine."

Zweibon expressed doubt that any Palestinians at a Middle East peace conference would be anything but "P.L.O.- controlled."

"They will be controlled by the reality of the P.L.O.'s ability to eliminate someone with whom they're unhappy," he said, suggesting that if a Palestinian representative without ties to the P.L.O. were to step forward, he or she would be a likely assassination target.

Zweibon likened the proposed Middle East peace conference to "a kangaroo court, or gang rape."

At Americans for Peace Now, Mark Rosenblum, the political director, warned against what

he called "Shamir's terrible misconception" that he can conduct bilateral negotiations with Syria.

"Shamir wants his cake and to eat it too," Rosenblum said. He wants to "get to talks with Syrians and the Arab states, and is doing everything he can to do an end run around the Palestinian question.

"Assad is less openly driven by getting the Golan Heights back than by being the patron of the Palestinians, realizing 'Greater Syria,' and helping control whatever Palestinian homeland or entity emerges," Rosenblum offered.

He suggested that the Bush administration offer the Palestinians an incentive not to insist on representation from East Jerusalem by issuing "some kind of Balfour statement about Palestinian national rights," coupled with "a commitment to Israel's ongoing security needs."

Rosenblum also urged Baker and President Bush "to play to Israeli public opinion, which is exceedingly more flexible than the current elected government.

"It's good news that we're so close" to negotiations, he said "and it would be a tragedy of enormous proportions if the door couldn't finally be opened."

**ISRAELI RED TAPE ZAPS ATARI VENTURE**  
By Hugh Orgel

TEL AVIV, Aug. 1 (JTA) -- Bureaucratic red tape is being blamed for Israel's loss of a major American investment project in what has become known here as the "Atari scandal."

The Ministry of Industry and Trade only just approved Atari's plans to establish a computer assembly plant in Israel, announced here three months ago with much fanfare.

But the green light came too late. Jack Tramiel, chairman of Atari, had already informed the ministry he was taking his plant elsewhere because of delays in obtaining the necessary licenses in Israel.

The computer assembly plant, it is believed, would have provided as many as 3,000 jobs and generated as much as half a billion dollars of export sales a year.

Tramiel's agreement to build an Israeli operation was premised on the creation of a government investment company that would muster local investment capital to build ancillary plants, which would in turn provide the assembly line with components and software.

The assembly plant alone was seen as capable of providing 600 immediate jobs, to be followed by 2,000 additional jobs at feeder plants. And everything to be made in Israel.

Immediately after the plans were announced at the beginning of April, the Cabinet agreed unanimously to authorize about \$20 million to facilitate setting up the factory.

But the plan needed the approval of the government's Companies Authority which, according to reports, failed to hold a single meeting to consider the project.

Meanwhile, Tramiel got offers from several countries eager for his new plant. Although he was interested in helping Israel, the industrialist lost patience.

Atari will now be producing computers somewhere in the Far East while immigrant engineers and electronic production workers in Israel draw unemployment benefits and search for jobs.

**NEW PAC WILL OFFER  
FREE CAMPAIGN STAFFERS**

By David Friedman

WASHINGTON, Aug. 1 (JTA) -- A new pro-Israel political action committee has been formed, not to funnel money to political candidates, but to provide young campaign workers for candidates for the House and the Senate.

The unique new pac, called ACTIONPAC, will also provide a means for young pro-Israeli activists to enter politics, explained Robert Bassin, the PAC's creator and executive director.

Bassin, a Washington political consultant, said the idea grew out of his own experiences in Washington, starting as an intern at the American Israel Public Affairs Committee while a student at Union College in Schenectady, N.Y.

Bassin went on to work for AIPAC's student program where, he said, "I caught Potomac fever and decided politics was going to be my life."

After working for Sen. Kent Conrad (D-N.D.), Bassin founded his own political consulting firm and, along with his work for political campaigns, was able to continue his pro-Israel activism.

But his experience with students at AIPAC had convinced him that most college activists had "very few opportunities to enter into politics" after they graduated, with neither the experience nor the contacts to make them attractive to political campaigns.

Bassin's response to the problem was ACTIONPAC, which will seek to provide a means of entry to the mutual benefit, it is hoped, of both candidates and young activists.

The 1992 congressional races will be ACTIONPAC's debut. The PAC will select 10 graduating seniors, graduate students or recent graduates who have demonstrated pro-Israel activism while on campus.

Ideally, they will be people who want careers in government or politics.

In January 1992, the 10 people selected will go through an intensive 10-day campaign-training course. Bassin said some 40 Democratic and Republican political consultants have agreed to help in the training.

Once their coursework is over, the activists will start working as full-time staff members with campaigns. ACTIONPAC will select the candidates, who can be either Democrats or Republicans, incumbents or challengers. The only criteria are that the candidate be pro-Israel, and that he or she be in a close race against someone with a poorer record on Israel.

"We want to put these people in races where they will make a difference," Bassin said.

For that reason, the ACTIONPAC volunteers will probably not participate in primary campaigns, Bassin said. For example, the California primary next year is expected to pit many pro-Israel supporters against each other for nominations to the Senate.

Bassin said he doubts that ACTIONPAC will have any difficulty placing its participants.

"I would find it hard to imagine a candidate rejecting having a capable full-time staff member for free," he said.

ACTIONPAC will pay each of its activists \$600 a month. Housing will be worked out either with another campaign staff member, a contributor or with local members of the pro-Israel community.

Raising its funds among supporters of Israel,

ACTIONPAC has a projected initial budget of \$161,800. Two-thirds of the money will go for salaries and training for the participants and less than 10 percent for administrative costs, according to a pamphlet put out by ACTIONPAC.

Bassin hopes to have more ACTIONPAC participants in future campaigns.

One of the program's benefits, said Bassin, is that it will help expand the grass-roots political base of the pro-Israel community, through day-to-day involvement in political campaigns.

**DISTRICT COURT DISMISSES  
JEWS-FOR-JESUS LAWSUIT**

By Debra Nussbaum Cohen

NEW YORK, Aug. 1 (JTA) -- A U.S. District Court here dismissed a lawsuit Tuesday brought by Jews for Jesus against the Jewish Community Relations Council of New York.

Jews for Jesus sued the JCRC because the Stevensville Hotel, a glatt-kosher resort in Liberty, N.Y., which has since closed, did not permit the Hebrew-Christian organization to hold its 1987 annual gathering there after JCRC director Michael Miller told the hotel's president that Jewish groups would no longer patronize the establishment if Jews for Jesus did.

Agudath Israel of America, which was scheduled to hold its annual convention there a few days after the Jews for Jesus gathering in November 1987, was ready to cancel its reservations after it learned of the missionary group's plans.

But Stevensville's president canceled the contract with Jews for Jesus and returned the group's deposit.

Jews for Jesus sued the JCRC in March 1988, alleging a conspiracy to violate the group's civil rights.

In his ruling, Judge Richard Owen of United States District Court in the Southern District of New York ruled that the JCRC's efforts were protected by the First Amendment.

The JCRC's efforts were "definitely not an unlawful economic boycott," he said.

Owen acknowledged, in his opinion, that "Jews for Jesus is an 'evangelistic missionary society' whose followers, Jews and non-Jews alike, believe that Jesus was the Messiah, a belief that conflicts with traditional Jewish doctrine."

The "JCRC, among other Jewish organizations, feels that Jews for Jesus uses deceptive tactics in promoting its doctrine, and, in particular, that Jews for Jesus missionaries fraudulently and misleadingly use Jewish symbols to associate themselves with Judaism and to attract followers," he said.

The lawyer for Jews for Jesus, Jay Alan Sekulow, said that the group will "definitely" appeal the decision to the United States Court of Appeals for the Second Circuit, and to the Supreme Court. It is also considering filing the suit in the state courts, and possibly refileing in the District Court on procedural grounds, he said.

Jews for Jesus was founded 21 years ago by Moishe Rosen, a Jew who converted to Christianity in the early 1950s and was ordained a Baptist minister in 1957.

The group, which answers its San Francisco headquarters telephone with the greeting "Shalom," has been condemned by Jewish and Christian leaders for its mixture of rabbinic Judaism with Christian tenets, and for its tactics, which have been called harmful, deceptive and divisive.

**ARABS BLAST ISRAEL'S ADMISSION TO U.N. REGIONAL COMMISSION**

By Tamar Levy

GENEVA, Aug. 1 (JTA) -- The Arab bloc has complained bitterly about a decision by the U.N. Economic and Social Council, known as ECOSOC, to admit Israel to a regional commission of the United Nations.

Speaking at the close of the ECOSOC meeting, Libyan delegate Ibrahim Omar, speaking for the Arab states, said it was tantamount to rewarding that country's intransigence and belligerence.

ECOSOC voted overwhelmingly July 23 to give Israel full membership in its Economic Commission for Europe, one of five regional commissions.

Israel's U.N. ambassador, Yitzhak Lior, said that while Israel has long despaired of getting fair treatment from the international community, the new move held promise of change.

The General Assembly of ECOSOC also voted 48-1 to ask member states to increase their assistance to the Palestinians, in cooperation with the Palestine Liberation Organization.

The United States cast the sole dissenting vote. U.S. Ambassador Morris Abram said the resolution implied Palestinian statehood and did not deal adequately with current problems.

**HIGH TIME FOR HIGH COURT TO REINSTATE 'JEWISH SEAT,' SAYS FEDERAL JUDGE**

By Tom Tugend and Benny Landau

LOS ANGELES, Aug. 1 (JTA) -- If merit were the sole criteria for appointing a justice to the U.S. Supreme Court, at least two or three Jews would be serving on the nation's highest bench, according to Judge Stephen Reinhardt, one of the highest-ranking Jews in the federal judiciary.

Reinhardt believes it is high time to reinstate the "Jewish seat" on the Supreme Court.

To those who abhor quotas in judicial appointments -- whether black, Hispanic, female or Jewish -- Reinhardt responds that the makeup of the Supreme Court should be a balanced composite, reflecting the backgrounds, sensitivities and viewpoints of the population at large.

"We don't want nine people on the bench who are exactly the same," Reinhardt said in an interview. "We need a mix, and in the present one, no one represents the Jewish sensitivity."

Reinhardt, a liberal Democrat, was appointed by President Jimmy Carter in 1979 to the 9th U.S. Circuit Court of Appeals, the largest federal appellate court in the United States.

He believes it would be legitimate for Jewish organizations to lobby for Jewish representation on the Supreme Court, as there had been for a half-century.

But Reinhardt concedes that to raise the issue now would needlessly affront African-Americans, because the current nominee, Judge Clarence Thomas, is black.

Beginning with Woodrow Wilson's appointment of Louis Brandeis in 1916, a succession of Jewish justices served with great distinction on the high court -- Benjamin Cardozo, Felix Frankfurter, Arthur Goldberg and Abe Fortas.

But the "Jewish seat" has remained unfilled since 1969, when President Richard Nixon failed to appoint a Jew to the seat left vacant by Fortas' resignation and encountered no organized

Jewish protest.

Jews represent about 20 percent of all lawyers in major urban areas. Ten percent of the 165 judges serving on U.S. courts of appeal are Jews.

There have been "thousands of Jewish lawyers as qualified to serve on the Supreme Court as those who have been appointed during the past 20 years," Reinhardt maintains.

Reinhardt believes that there has been, in effect, a conspiracy of silence among Jews to ignore the absence of a Jewish Supreme Court justice. He partly blames the Jewish community's aversion to "stirring up trouble," and partly the feeling that "there are more important problems to raise hell about."

The attitude is mistaken, Reinhardt thinks, because if the Jewish community lets go of anything that is properly its due, it will lose more and more in the long run.

In general, Jewish organizations took no stand in the case of Douglas Ginsburg, who was nominated by President Ronald Reagan in 1987. In a hasty process, Ginsburg withdrew his nomination after a public and congressional outcry followed his admission that he had smoked marijuana in the past.

Reinhardt thinks that the marijuana issue, which has also been raised in connection with the Thomas nomination, was not the only negative factor against Ginsburg.

There was a feeling in the administration that "Ginsburg was not our kind of fellow," said Reinhardt.

He observed that apart from their general qualifications, Jews, whether liberal or conservative, bring their historical experience to the bench and with it, a special sensitivity to the rights of minorities and society's victims, whose protection is one of the pillars of the U.S. Constitution.

He believes that to assure diversity on the Supreme Court, it is proper that a black jurist, such as Thomas, sit on the highest bench, although "no one would say with a straight face that he is the best-qualified lawyer in the country," Reinhardt said.

He added, however, that perhaps "there is no such thing as the most qualified nominee."

Many factors need to be considered, such as the nominee's knowledge of laws and the Constitution, his or her humanitarian outlook, an understanding of people and experience.

Reinhardt believes that Thomas will probably be confirmed by the U.S. Senate, but "one can never be sure. There's a chemistry to the confirmation process that makes the outcome unpredictable."

His advocacy of a Jewish Supreme Court seat is not self-serving, Reinhardt emphasized, since no Republican president would consider nominating someone with his political background.

The judge is the grandson of Max Reinhardt, the innovative Austrian-Jewish theatrical producer and director, and the son of Gottfried Reinhardt, a longtime Hollywood writer-producer-director.

A graduate of Yale Law School, Stephen Reinhardt practiced corporate and labor law, became involved in government and political affairs and served as the Democratic Party's national committeeman from California between 1968 and 1972.

He was a California delegate to the Democratic national convention that nominated Jimmy Carter for president in 1976.