

**POWERFUL BOMB EXPLOSION ROCKS
ISRAELI EMBASSY IN BUENOS AIRES**

By Susan Birnbaum

NEW YORK, March 17 (JTA) -- As many as 10 people were killed and another 95 were injured Tuesday when a powerful bomb rocked the Israeli Embassy in Buenos Aires.

Half the building was demolished and adjacent buildings were also badly damaged. The blast could be felt six blocks away.

Initial reports put the casualties at five dead and at least 76 wounded. But President Carlos Menem, who issued a statement condemning the bombing, reported the higher figures.

Sources in the Argentine capital said the destruction was so extensive that it was difficult to gauge the actual number of dead.

It was known, however, that the Israeli ambassador, Yitzhak Sheffi, and visiting Jewish Agency leader Uri Gordon were unharmed, said sources reached by telephone in Buenos Aires.

Gordon, who chairs the Jewish Agency's Immigration and Absorption Department, was not believed to have been inside the building during the blast, which occurred around 3 p.m.

Embassy officials injured were reported to have been taken to three hospitals. Consul Danny Karman was described as seriously hurt, but other Israelis were only lightly injured, according to a report on Israel Radio.

That report said that a neo-Nazi group had claimed credit and warned of further attacks.

Schoolchildren Injured

President Menem said the attack could have been perpetrated by a neo-Nazi group or a right-wing group of military officials called Cara Pintada (Painted Face).

Another threat was received by the Argentina-Israel Cultural Center, said Rabbi Morton Rosenthal, director of Latin American affairs for the Anti-Defamation League. The institute, which was evacuated, is not far from the embassy.

"This attack on an Israeli target in Argentina is unprecedented," Rosenthal said.

Among the injured were about a dozen schoolchildren who attended a Catholic school located across the street from the embassy, said Cynthia Hener, an assistant to the editor at Mundo Israelita (Jewish World), a publication in Buenos Aires, who was reached by telephone.

The attack comes a month after Menem opened Argentina's long-sealed files on Nazi war criminals who obtained haven in the country and extensive aid from the government of Juan Peron.

Following the opening of the files, death threats were made against a visiting Jewish official, Shimon Samuels of the Simon Wiesenthal Center, who examined the files. Samuels was given armed guards to travel in Buenos Aires.

In Jerusalem, Israeli Prime Minister Yitzhak Shamir described the bombing as "another attempt to strike at us, to continue the war of terror against us, although it is clear that such attacks will not change the course of history."

He pledged that Israel would "continue to advance toward progress on peace."

(JTA correspondent David Landau in Jerusalem contributed to this report.)

**ARAB ASSAILANT KILLS TWO IN JAFFA,
WOUNDS 20 OTHERS IN KNIFE ATTACK**

By Hugh Orgel

TEL AVIV, March 17 (JTA) -- A 19-year-old Israeli woman and an Arab man were slashed to death Tuesday morning in Jaffa, and some 20 others were wounded, by a young Arab wielding a machete-like instrument.

The assailant, a Palestinian from the Gaza Strip, was then shot dead by an off-duty border policeman and a passing taxi driver.

The attacker had run amok on a Jaffa street, slashing at his victims. The 20 who were wounded were mostly teen-age schoolgirls waiting for a Purim party.

Three of the victims were in serious condition with deep stab wounds and fractured skulls. A boy had a finger severed, which doctors were trying to re-attach.

The other injuries ranged from moderate to light, according to hospital reports.

The dead woman was identified as Ilanit Ohana, 19, of Bat Yam. She was attacked while standing outside a garage near the small business where she had just gotten a job as a clerk.

The Arab garage-owner, Abed al-Karim, 41, was fatally stabbed when he rushed to help her.

The attacker was identified as Raed al-Reefi, 21, who died after he was admitted to a hospital.

Police said they found papers on him indicating an association with Hamas, the Islamic fundamentalist organization active in the intifada.

They included a pamphlet extolling the attack on an Israel Defense Force recruit training camp during the night of Feb. 15, in which three sleeping soldiers were hacked to death with knives, axes and a pitchfork.

Mistaken For Purim Celebrant

Some Palestinian sources said al-Reefi was a member of the Islamic Jihad (Holy War) and that the attack was to avenge the death of his father in an Israeli prison.

The Jaffa rampage occurred shortly after 9 a.m. local time in a working-class neighborhood that has a mixed Jewish-Arab population.

The bearded assailant, wearing a kaffiyeh, the traditional Arab headdress, which concealed part of his face, alighted from a truck with Gaza Strip license plates. He got off on Eilat Street, a connecting route to Tel Aviv, which is lined with garages, auto repair shops and marginal industries.

Police said the truck driver who brought the killer from Gaza was being held for questioning.

According to eyewitnesses, the assailant carried a weapon described by some as a machete and by others as a sword about 30 inches long.

He did not arouse suspicion because many onlookers took him for a Purim celebrant in costume. The holiday begins Wednesday evening.

A group of teen-agers, mostly high school girls from the Mitrani School in Holon, south of Jaffa, stood across the street from the garage where the killings occurred. Some wore costumes as they waited outside the Real Time, a discotheque their school rented for its Purim party.

The knife-wielding man suddenly attacked them, slashing indiscriminately.

A boy told reporters later, "We thought he

was wearing a costume and that's why we didn't escape immediately. Suddenly he jumped and attacked some of our group."

The off-duty border policeman, who happened to be in the neighborhood, and the taxi driver were alerted by screams. They raced to the scene, each drawing a weapon, and fired at the assailant.

An autopsy is expected to determine whose bullets inflicted the fatal wounds.

The police are checking their computerized records to see if the Gaza youth had a previous record of criminal violence.

ISRAEL STICKING TO ITS POSITION AS BUSH BALKS AT LOAN COMPROMISE
By Gil Sedan

JERUSALEM, March 17 (JTA) -- Prime Minister Yitzhak Shamir says Israel will not withdraw its request for U.S. loan guarantees, even though Washington is insisting on conditions he rejects as unacceptable.

Shamir's remarks to reporters at the Knesset were affirmed by Finance Minister Yitzhak Moda'i, who said Israel has not given up on receiving guarantees for at least part of the \$10 billion in loans it needs for immigrant absorption.

But other government officials hinted strongly that Israel would seek alternatives to the U.S.-guaranteed loans in order to cover the cost of absorbing up to 1 million immigrants over the next five years.

In Washington, the Bush administration and Congress remained deadlocked on proposed legislation to provide the guarantees, which would enable Israel to borrow the money from commercial banks on far more favorable terms than it could get on its own.

Sen. Patrick Leahy (D-Vt.), chairman of the Senate subcommittee handling foreign appropriations, said after discussing the issue with President Bush on Tuesday that he was pessimistic about the chances of reaching an agreement.

"I'm frankly very, very discouraged," he told reporters. "I thought we had a compromise that worked."

Leahy's plan would release guarantees for a portion of the money Israel wants to borrow within 30 days of the bill's enactment and leave it up to the administration to decide when and under what terms to release guarantees for the remainder.

'Rigid And Unreasonable' Position

State Department spokeswoman Margaret Tutwiler said Tuesday that compromise proposals coming from Congress "fail to meet" the Bush administration's "basic requirement" that Israel freeze all settlement building in the administered territories.

Congress must meet the administration's "fundamental test," which is "fair and balanced" and in keeping with U.S. policy for 25 years that settlements in the territories are an "obstacle to peace," she said.

In New York, the Anti-Defamation League attacked the Bush administration's position as "rigid and unreasonable."

"This holding humanitarian assistance hostage to intense, one-sided pressure on Israel is a disastrous development," the group said in a statement from Melvin Salberg, its national chairman, and Abraham Foxman, its national director.

"It puts into question the administration's

moral commitment for helping refugees from the Soviet Union," they said.

Bush told reporters earlier Tuesday that the administration wants to help Israel resettle immigrants but cannot do so as long as it keeps expanding settlements in the territories.

"I've said over and over again that we want to help in a humanitarian way, but that we are not going to shift and change the foreign policy of this country," he said.

"Settlements are counterproductive to peace and everybody knows it," he said.

But in Jerusalem, Shamir stressed that Israel would not change its settlement policy "one iota."

At the same time, the Israeli leader denied that there is a crisis in U.S.-Israeli relations, though he conceded there were "differences of opinion on important matters."

He maintained that "the very good relations" between the two countries depend on Israel sticking to its principles. Eventually "the other side" will change its position, the prime minister said.

Bush also tried to play down the strains in U.S.-Israeli ties.

"We have close, historic relations with Israel, and they will always be that way. But we have a difference now in terms of the settlements," he said.

Earlier Tuesday, Israeli Defense Minister Moshe Arens met with Secretary of State James Baker for 45 minutes. Neither side indicated whether the loan guarantees issue was on the agenda.

World Jewry Can't Substitute

Many observers here and in Washington consider the loan guarantees doomed unless a compromise is reached quickly. The guarantees would be part of a U.S. foreign aid bill that must be adopted by March 31.

Benjamin Netanyahu, a deputy minister in the Prime Minister's Office, said Tuesday that Israel "has ways" of coping with the situation if it does not receive the U.S. loan guarantees.

He did not elaborate but expressed confidence that Israel would be able to get guarantees from "other sources," which he did not name.

Netanyahu admitted that Israel's economy would be severely strained without the guaranteed loans. The government would appeal to the Jewish people and to financial organizations around the world and would convince them of the country's economic future, the deputy minister said.

Jewish Agency Chairman Simcha Dinitz said Tuesday that it is unrealistic to expect contributions from world Jewry to replace the funds the loan guarantees would have made available to Israel.

Dinitz said in an Israel Radio interview that "under the existing conditions, there is no further reason for the present Israeli government to persist in pressing the American administration and Congress for loan guarantees."

Danny Gillerman, chairman of the National Chamber of Commerce, called on Shamir and Labor Party leader Yitzhak Rabin to cooperate on "an economic crash program" in the absence of the guarantees.

The Israeli businessman called for massive privatization of industry and reforms in the capital market and in foreign trade.

(JTA correspondent Howard Rosenberg in Washington contributed to this report.)

U.S. TEAM LEAVING FOR ISRAEL TO INVESTIGATE ARMS CHARGES

By Howard Rosenberg

WASHINGTON, March 17 (JTA) -- A team of U.S. government experts is expected to arrive in Israel this weekend to investigate charges that Israel provided China and other countries with American weapons technology.

Experts from the State Department, Pentagon and U.S. Embassy in Tel Aviv will focus on allegations that Israel provided China with technology on the Patriot missile defense system.

But State Department spokeswoman Margaret Tutwiler said the team may also delve into some of the other recent charges that Israel transferred American weapons technology without U.S. government approval.

They will try to "ensure that there are no misunderstandings on technology transfer," she said.

Among the other charges are that Israel has sold cluster bombs containing U.S. technology to Ethiopia and Chile, and that it has provided South Africa with missile technology.

Israeli Defense Minister Moshe Arens, who discussed the subject Monday at the Pentagon with Defense Secretary Dick Cheney, has vigorously denied that Israel transferred any Patriot technology to China.

That position was echoed here Tuesday by Yitzhak Rabin, Arens' predecessor as Israel's defense minister. He denied that Israel had ever illegally provided U.S. technology in military weapons to a third country.

"Are we idiots?" Rabin asked in a speech to the United Jewish Appeal's young leadership conference. He said Israel would never jeopardize a \$3 billion annual grant in economic and military aid from the United States for a \$100 million weapons sale.

Rabin said that during the five years he was defense minister, he informed the U.S. defense secretary of every military sale made by Israel.

Rabin suggested that some of the charges about Israel may have come from U.S. companies that lost contracts won by Israeli firms.

ISRAELI SETTLEMENT POLICY HARMS E.C. TIES, BRITISH OFFICIAL SAYS

London Jewish Chronicle

LONDON, March 17 (JTA) -- Israel's settlement policies in the West Bank and Gaza Strip are souring its relations not only in Whitehall and Washington but with its biggest trading partner, the European Community.

That is not likely to change when Britain takes over the rotating chairmanship of the E.C. on July 1. Hopes for closer ties will depend on progress in the peace process, Foreign Secretary Douglas Hurd told the Jewish Chronicle in an interview.

In fact, it is "difficult to imagine dramatic progress" on E.C.-Israeli ties without a peace settlement, he said.

Israeli officials have expressed disappointment over E.C. efforts to link trade and diplomatic relations to Israel's policies in the territories.

"I would like to see Israel as part of the arrangements in the eastern Mediterranean that would bring all states in the area into closer relations with the E.C.," Hurd said.

But he added: "I think there is a limit to

E.C.-Israel ties without progress in the peace process."

He described the building of Jewish settlements in the territories as the "biggest cause of frustration."

Hurd was interviewed just before Prime Minister John Major announced general elections in Britain for May 9. Should the Conservatives lose the elections to the Labor Party, its foreign minister would take over the six-month stint as chairman of the E.C. Council of Ministers.

But there are no major differences on Middle East policy between the Conservatives and the Labor Party, Hurd admitted.

Hurd said there has been a "considerable improvement" in the atmosphere between London and Jerusalem over the last few years.

He said he has a good personal relationship with Foreign Minister David Levy. "We phone each other from time to time" and although "my views are not always popular in Israel," the relationship is friendly, he said.

Hurd said Britain and its E.C. partners are fully supportive of the current peace process between Israel and the Arab states.

Just having negotiations is "real progress," he said, adding that "two years ago, I wouldn't have thought that Israel, with a Likud government, would sit down and talk with Palestinians."

NEW BELGIAN FOREIGN MINISTER LIKELY TO BE MORE PRO-ARAB THAN PREDECESSOR

By Yossi Lempkowicz

BRUSSELS, March 17 (JTA) -- Belgium's new foreign minister, Willy Claes, is likely to be more pro-Arab than his predecessor, Mark Eyskens, according to informed sources.

Claes' views are said to be influenced by his long association with Algeria, which is considered the most radical of the former French North African states.

Claes was vice prime minister and minister of economic affairs in the government of Wilfried Martens, who was prime minister for 12 years.

Martens' regime has been replaced by a center-left coalition headed by Christian Democrat Jean-Luc Dehaene.

The new foreign minister, who belongs to the conservative wing of the Flemish Socialist Party, is expected to make some changes in Middle East policy, though not fundamental ones. He visited Israel only once, a long time ago.

Another Belgian official said to have Arab connections is Robert Urbain, minister of foreign trade in the former government who retains that portfolio in the new regime and has also been put in charge of European affairs.

Urbain is particularly friendly with Libya, a country he has visited several times and with which he has signed trade pacts. Eyskens, who is said to be sympathetic to Israel, suffered political damage last year when it was revealed that an official of archterrorist Abu Nidal's group entered Belgium with the Foreign Ministry's approval.

Eyskens maintained he was not aware of the terrorist's presence on Belgian soil.

Belgium's new coalition government of Socialists and Christian Democrats was formed after more than 100 days of political crisis.

The parliamentary elections held last November were a setback for the traditional parties. The electorate sent them a protest message by casting an unusually large vote for environmentalists and the extreme right wing.

U.S. ACCORD WITH PRAGUE TO PROTECT SYNAGOGUES AND JEWISH CEMETERIES

WASHINGTON, March 17 (JTA) -- The United States and Czechoslovakia have signed an agreement to protect and preserve monuments, historic buildings and other sites representing the cultural heritage of both countries, including damaged synagogues and abandoned Jewish cemeteries.

The agreement, initialed Tuesday at a State Department ceremony, was the first of a series of similar compacts with Central and Eastern European states currently being negotiated.

Deputy Secretary of State Lawrence Eagleburger and Rita Klimova, Prague's ambassador to Washington, represented the United States and the Czech and Slovak Federal Republic.

They were joined by Rabbi Arthur Schneier, chairman of the U.S. Commission for the Preservation of America's Heritage Abroad, who worked out the agreement with Czechoslovak Foreign Ministry officials in Prague last October.

It calls for creation of a joint commission to help identify, protect and preserve sites in Czechoslovakia associated with the heritage of Americans and similar locations in the United States linked to Czech and Slovak traditions.

Schneier said the agreement is "of particular importance to the Jewish people because so many of our religious and cultural institutions and cemeteries in Central and Eastern Europe were destroyed or damaged during the war and because so little has been done to save them.

"These historic sites are part of the collective memory of the Jewish people," he said, noting that since the Holocaust, few Jews remain to look after them.

Ambassador Klimova said that the Holocaust reduced her country's Jewish population from 350,000 to 8,000.

"The Jewish communities, which now have a very high average age, are by themselves not capable of caring for all of the monuments and relics that need preservation," she said.

"These should and must be preserved to serve the new small but growing Jewish community, and also because the Jewish heritage is an indivisible component of our Czechoslovak culture" going back more than 1,000 years, the ambassador said.

Schneier said a group called the Associates of the U.S. Commission for the Preservation of America's Heritage Abroad has been formed to raise funds needed to repair the institutions covered under the agreement with Czechoslovakia and others expected to be signed in the future.

GERMANY PASSES LAW TO KEEP PENSIONS

By David Kantor

BONN, March 17 (JTA) -- The Bundestag enacted legislation last Friday that will retain special state-funded pensions for victims of Nazism from what was formerly East Germany.

The measure was needed because the laws applying to the state-run pension fund contain no reference to persecutees of the Nazi regime.

Its passage was a success for the German Jewish community and other organizations which had lobbied against plans to abolish the special pension altogether.

Between 200 and 300 Jews from former East Germany are eligible for the monthly stipend of 1,400 marks, nearly \$900.

JEWIS IN SWITZERLAND EXHIBITION DRAWS BIG CROWDS IN LAUSANNE

By Tamar Levy

GENEVA, March 17 (JTA) -- Curiosity about Jewish traditions and customs among the general public accounts for the high attendance at an exhibition on the history and culture of Jews in Switzerland, currently on display at Lausanne's Historical Museum.

The exhibition was first mounted by the Federation of Swiss Jewish Communities in 1982 and has been seen in Zurich, Basel and Geneva.

The current version stresses Jewish life in the canton of Vaud, where Lausanne is located. About 600 Jewish families live in Lausanne and a smaller number in Avenches, some 25 miles north-east, in the canton of Fribourg, where Jews from the French province of Alsace have settled.

There are about 22,000 Jews in all of Switzerland. But the community is more or less self-contained and the non-Jewish population has had little opportunity to learn about Judaism.

In the Middle Ages, Jews were forbidden to own property or to practice manual trades. During the Black Plague, which began in 1348, Jews were accused of poisoning the wells and were mercilessly persecuted.

Only at the end of the 17th century were Jews granted some rights in Switzerland.

Nevertheless, some strictures on Jewish practices remain despite the liberal attitude of the authorities.

The ritual slaughter of livestock is forbidden in Switzerland and Jews who observe the dietary laws have to get their kosher meat and poultry from France.

Moreover, among Swiss Jews today the nagging memory persists of how Jews trying to escape Nazi atrocities during World War II were turned away at the borders of neutral Switzerland, many of them to a certain death.

The Lausanne exhibition focuses on the meaning of Judaism, its holidays, traditions and ritual objects.

The Jewish community has organized around it concerts of Jewish music, a cabaret show featuring Jewish humor and an "open door" at the synagogue. There, Lausanne's rabbi, Saadia Morali, explains Judaism to non-Jewish visitors, many of whom never before set foot in a Jewish house of worship.

FARRAKHAN BARRED FROM BRITAIN

London Jewish Chronicle

LONDON, March 17 (JTA) -- Louis Farrakhan, the American Black Muslim leader given to anti-Semitic slurs, has again been denied entry to Britain.

The head of the Chicago-based Nation of Islam has been barred, in fact, since 1988, when an exclusion order was issued by the government's Immigration and Nationality Department.

Farrakhan was originally barred after members of Parliament and Jewish leaders protested his plans to hold meetings in Hackney, which has large Jewish and black populations.

A second attempt to bring him to Britain was announced early this year by Lee Jasper, a black activist from South London.

The black newspaper The Voice claimed last week that another senior figure of the Nation of Islam, Dr. Khalid Abdul Muhammad, was planning to come here instead, to "wake up" black people.