

PERES TO SERVE AS FOREIGN MINISTER, WHILE RABIN RETAINS THE DEFENSE POST

By David Landau

JERUSALEM, July 12 (JTA) -- Shimon Peres will be foreign minister and Prime Minister-designate Yitzhak Rabin will head the Defense Ministry himself in the new government the Labor Party leader presents to the Knesset on Monday.

Rabin won virtually unanimous approval for the slate of ministers from Labor's Central Committee, which convened in a festive atmosphere Sunday at a Tel Aviv movie theater. There were only two naysayers of the more than 1,000 committee members voting.

But Rabin appears to have run aground in his efforts to entice the right-wing Tsomet party to join his coalition. The party's leader, Rafael Eitan, is angry that Rabin reneged on a promise to let him become education minister, a post he gave to Shulamit Aloni, leader of the left-wing Meretz bloc.

The appointment of Aloni, who is an outspoken opponent of the Orthodox religious establishment, has also angered the United Torah Judaism party, which is now unlikely to join the coalition for the foreseeable future.

Both Rabbi Eliezer Schach, spiritual leader of the party's Degel HaTorah faction, and Rabbi Moshe Yehoshua Hager, the Hasidic rebbe of Vishnitz, cited Rabin's selection of Aloni in statements they issued Sunday forbidding the party from entering the coalition.

As a result, Rabin will have to govern with a slim 62-seat majority in the 120-member Knesset, with additional tacit support from the two Arab parties, which control five seats.

"I had hoped the government would be broader," Rabin admitted in his remarks to the party faithful Sunday.

Dispute Over Agriculture Post

He said he was leaving both the Religious Affairs Ministry and the Labor and Welfare Ministry posts open, in the event that other parties wanted to join the government.

The National Religious Party has traditionally held the first post, and the second has been the preserve of Agudat Yisrael, now part of United Torah Judaism.

A small glimmer of hope emerged when Tsomet's No. 2 Knesset member, Gonen Segev, told reporters Sunday that he personally favored resuming the negotiations with Labor. Tsomet would add eight seats to the coalition, making it virtually impossible for any one party to bring down the government.

But the bad news was that Ashkenazic leaders of Israel's haredi, or ultra-Orthodox, community were trying to persuade the Sephardic Shas party to rescind its agreement with Labor.

Nevertheless, Shas spiritual leader Ovadia Yosef appeared to be determined to assert his independence from the Ashkenazic haredi leaders.

Rabin told the Central Committee there would be 17 ministers in the new Cabinet, making it one of the smallest governments in Israel's history. All of the ministers received warm applause, with the loudest going to Peres.

The exception was Ya'acov Tsur, Rabin's

selection for agriculture minister, who was booed and catcalled, apparently by supporters of a rival candidate, Nissim Zvilli.

Zvilli complained to reporters that he was discriminated against because he had supported Peres against Rabin earlier this year in the contest for party leader. Political sources said he would be offered a deputy ministership at the Finance Ministry as compensation.

Rabin said he would not announce deputy ministerships or deputy premiers until he has consulted with the coalition partners.

Meanwhile, the Meretz bloc continued to put pressure on Rabin to find a suitable post for Knesset member Yossi Sarid, an outspoken dove. Sarid shocked his party Saturday by accusing Meretz leaders of "leaving me injured on the battlefield."

At a Meretz meeting, Sarid said Rabin had exercised a personal veto against him and that Meretz leaders had gone along with it.

Aloni and Yair Tsaban, head of Meretz's Mapam component, denied the accusation. But there was plainly tension within the party's ranks.

Rabin, in his speech to the Labor Central Committee, ruled out the idea of electing Sarid as speaker of the Knesset, saying that Labor had the "right and the duty" to keep that post within its own ranks.

The Labor front-runner is Knesset member Shevach Weiss, a popular lawmaker and political scientist.

ARENS, IN LAST INTERVIEW, SCORES IDF FOR LACK OF DISCIPLINE, BAD CONDUCT

By Hugh Orgel

TEL AVIV, July 12 (JTA) -- Outgoing Defense Minister Moshe Arens, in his last Israel Radio interview before leaving his post, sharply criticized lack of discipline in the Israel Defense Force and questioned the conduct of the military's top officers.

"I think the army has to get a grip on itself," he said, "from the top to the bottom, from the chief of staff down to the private."

Arens, in the weekend interview, addressed the incidents of a fatal crash of a helicopter returning from a successful operation in Lebanon, and the death from friendly fire of an undercover soldier in the West Bank.

Official investigations into the two incidents were completed last week.

The inquiry into the downing July 1 of a Bell 212 helicopter found that the pilot had flown under the authorized elevation and had even "buzzed" naval vessels.

The investigation into the July 8 death of a soldier in the Duvdevan (Cherry) unit, in which a number of soldiers disguised as Arabs had split up into smaller groups to seek out and arrest known terrorists, found that the unit commander had ordered one section to change its place of ambush without notifying the other sections.

"In too many cases, we see that people deviated from regulations and from orders," Arens said.

The IDF spokesman said there would be no response to Arens' comments.

But in unofficial responses, military sources

said that while the IDF is to be blamed for its inappropriate abuse of power, it is ultimately and constitutionally the defense minister's responsibility.

Harsh Criticism For The Likud

The outgoing defense minister admitted that he had had differences with the army chief of staff, Lt. Gen. Ehud Barak, particularly with Barak's controversial decision to disclose the existence and activities of the underground Duvdevan and Shimshon (Samson) units in the administered territories.

"I was abroad and I wasn't asked to give my permission for this," he said. "From this point of view, it wasn't all right."

Arens did not restrict his criticism to the chief of staff. "There were too many incidents in which senior officers talked to the media about issues on which the military shouldn't make any declarations," he said.

He appeared to refer to former Israeli air force Commander Avihu Bin-Nun, who on several occasions faulted his civilian superiors and expressed his own opinions on strategic matters.

Arens, who had similar sharp words for his own Likud party when he resigned from the Cabinet and Knesset following Likud's defeat in the June 23 elections, has unleashed a near torrent of unsparing words of criticism, including denouncing some of Likud's key positions on peace and security and refusal to consider relinquishing the Gaza Strip.

He has also said Israel has to reach an agreement with the Palestinians and "cannot ignore their problem."

Last week, Arens rejected a request from Jewish activists to convert two army-run settlements in the West Bank into civilian colonies.

AIPAC LAUNCHES STRING OF EVENTS FOR PRO-ISRAEL CONVENTION-GOERS

By Larry Yudelson

NEW YORK, July 12 (JTA) -- The Democratic National Convention had not yet begun, but the American Israel Public Affairs Committee was already well on its way this weekend to bringing pro-Israel delegates together for a series of receptions, briefings and strategy sessions.

AIPAC President David Steiner described the events as part of a "weeklong celebration of the pro-Israel community's commitment to the Democratic community and its leadership."

On Sunday, Hillary Clinton gave the keynote remarks at an afternoon reception at the South Street Seaport, where convention delegates and AIPAC activists mingled with 70 members of Congress and countless state and local officials from around the country.

The wife of the presumptive Democratic presidential nominee told the friends of Israel that "this is a watershed election," and stressed the special U.S. commitment to Israel embodied in her party's platform.

The night before, the pro-Israel lobby brought together a more select group of its own leaders, top Democrats and Clinton campaign aides at a reception held amid paintings by Mary Cassatt and other American Impressionists at a posh gallery on Manhattan's Upper East Side.

It was the kickoff for a range of Jewish-related events here this week that will include briefings for delegates by AIPAC, the National Jewish Democratic Council, Americans for Peace

Now and Tikkun magazine, not to mention a kosher pastrami reception sponsored by the New York Jewish Community Relations Council and UJA-Federation.

And those not on the "A list" for these events will surely not be able to miss the Orthodox men handing out flyers for the Hasidic-run 47th Street Photo electronics store.

Coming Back Home To Party

AIPAC estimates that at least one in 10 delegates to the convention is Jewish, double the percentage of four years ago.

And thanks to greater activism at the state level, where grass-roots organizers hammered out the planks of the party platform, it seems certain that, unlike four years ago, the floor will not be open to critics of the party's pro-Israel platform.

It was a dozen years ago that Ronald Reagan targeted Jimmy Carter's Israel policies to unravel the traditional Jewish-Democratic alliance. And just four years ago, AIPAC's executive director, Tom Dine, was gushing over the pro-Israel planks of the Republican platform as the finest ever.

This year, the Democrats have come to New York with the expectation that the Jews are coming home to the party of Franklin Roosevelt and Hubert Humphrey.

Among those welcoming AIPAC back Saturday night was Ron Brown, chairman of the Democratic National Committee.

He spoke of the "special relationships" linking the United States and Israel, the Democratic Party to AIPAC, and him personally to AIPAC and the Jewish community.

Sen. Tom Harkin (D-Iowa) said simply, "This is one senator you won't have to worry about." Also appearing was Sen. Frank Lautenberg (D-N.J.), Rep. Henry Waxman (D-Calif.) and former San Francisco Mayor Dianne Feinstein, who is the Democratic nominee for one of two open California Senate seats.

Israeli Ambassador Zalman Shoval was there as well. "I am not endorsing any political candidate," he said. "But I heard today (Palestinian spokeswoman Hanan) Ashrawi endorsed Bush. It's a fact."

There was no hint intended, he insisted.

Interfaith Service For Children

The Jewish role in the traditionally broad liberal alliance that transcends the politics of pro-Israel activism was manifest Sunday at an interfaith service sponsored by the Children's Defense Fund.

Rabbi Jerome Epstein, executive vice president of the United Synagogue of Conservative Judaism, and Rabbi Avi Magid of the Woodlands Community Temple of White Plains, N.Y., took part in the interreligious, interracial service.

They prayed "for the millions of children who are living in poverty," and for "our nation's leaders, that they might make children the nation's highest priority."

A similar service is planned for the Republican National Convention in Houston.

The interfaith services are billed as precursors to a "National Observance of Children's Sabbaths," to focus the nation's attention on children's issues on the weekend of Oct. 16-18.

Both the United Synagogue and the Reform movement's Union of American Hebrew Congregations are taking part in the observance.

(Cynthia Mann of State News Service contributed to this report.)

KEEGSTRA IS FOUND GUILTY AGAIN OF HATEMONGERING AGAINST JEWS

By Gil Kezwer

TORONTO, July 12 (JTA) -- A former high school history teacher from the town of Eckville, Alberta, has been convicted for the second time of willfully promoting hatred against Jews.

Justice Arthur Lutz of the Court of Queen's Bench in nearby Red Deer fined James Keegstra \$3,000 (Canadian) after a jury of eight women and four men found him guilty of charges he had been convicted of seven years ago.

The verdict was the culmination of a four-month retrial in which 17 former students of Keegstra's testified that from 1978 to 1982, he taught them that an evil worldwide Jewish conspiracy was on destroying Christianity existed and that the Holocaust was a hoax.

Keegstra, a former mayor of Eckville who has worked as an auto mechanic since the local school board fired him in 1982, showed little emotion after being found guilty. But his wife, Lorraine, cried.

Jewish groups here hailed the conviction.

"Today's verdict reflects the feelings of all Canadians that those who would sow bigotry and hatred are an unwelcome intrusion in Canadian society," said Professor Irving Abella, president of the Canadian Jewish Congress.

B'nai Brith Canada spokesman Ian Kagedan concurred. "I think that it's an important statement that the court made to all Canadians that hatermongering will not be tolerated."

But this may not be the end of Keegstra's legal odyssey. After the verdict was announced, Keegstra asked the judge how long he has to file an appeal and was told 30 days.

Following his original 70-day trial, which was a national cause celebre, Keegstra was convicted in July 1985 for "unlawfully and willingly promoting hatred against an identifiable group."

He was fined \$5,000 (Canadian) and later stripped of his teaching certificate.

First Conviction Overturned

That successful prosecution set a precedent under Canada's anti-hate law. But in June 1988, the Alberta Court of Appeal overturned his conviction on grounds that the anti-hate law violates freedom of speech guarantees in Canada's Charter of Rights and Freedoms.

Alberta Attorney General James Horsman appealed that judgment to the Supreme Court of Canada. In a ruling issued Dec. 13, 1990, the Supreme Court reversed the Alberta Court of Appeal's decision, terming the anti-hate legislation a reasonable limitation of free speech, which could be "demonstrably justified in a free and democratic society."

The Supreme Court then directed the Alberta court to rule on two other appeal arguments.

One of these dealt with whether Keegstra's right to a fair trial had been compromised in his original trial because his lawyer did not have adequate opportunity to challenge the impartiality of prospective jurors. The other was over the judge's charge to the jury on the meaning of "willfulness."

In the wake of this decision, the Alberta Court of Appeal quashed Keegstra's conviction for a second time in March 1991. But Alberta's new attorney general, Kenneth Rostad, ordered a new prosecution effort a month later, in a move ultimately backed by the Supreme Court.

ORDERED CLOSED, CANADIAN HATE LINE MOVES ACROSS BORDER TO WASHINGTON

By Gary Pogrow

VANCOUVER, British Columbia, July 12 (JTA) -- A Canadian court has found a racist telephone line to be in contempt of court for continuing to spread its hate message after being told to shut down.

The hate line, Canadian Liberty Net, which was based in Vancouver, had moved its operations to Bellingham, Wash., and continued from there after being ordered shut down in March.

Justice Max Teitelbaum ruled here last Friday that Canadian Liberty Net violated a court injunction when it continued to operate from the United States.

The line, which shares a mailbox with a Vancouver-based neo-Nazi Skinhead group called ARM Skins, changed its name to Canadian Liberty Net in Exile and moved across the border after the March court order to cease operations pending a full hearing before the Canadian Human Rights Tribunal.

The automated telephone service featured such speakers as convicted hate propagandist Ernst Zundel and the California-based leader of the White Aryan Nations, Tom Metzger, calling the Holocaust a hoax, saying that there is a "kosher" food tax and that non-whites are importing crime into Canada.

Evidence presented in court last week showed that the message on the Vancouver telephone number referred to the March injunction and suggested that callers phone the Bellingham telephone number.

Additional evidence showed that the same kind of messages that were banned in the original injunction were repeated on the Bellingham line.

Teitelbaum ruled that the breach of the original injunction "warrants a most serious penalty to ensure this type of behavior does not continue."

'Potentially Lethal' Silliness

According to the Vancouver Province newspaper, a spokesperson for the line, who refused to be identified, said, "In the U.S., they still believe in free speech."

In Vancouver, Dr. Michael Elterman of the Canadian Jewish Congress said, "It's a success that we've driven them out of this country."

The operators of Canadian Liberty Net in Vancouver have been ordered to appear in court again.

In the original injunction in March, the judge wrote that the "promotion of racism and white supremacy demonstrates the silliness of ancestor-worship or ancestor-advocacy."

"That silliness, however, becomes downright injurious and potentially lethal when it turns against other humans on the basis of who their unchosen ancestors were," said Judge Francis Muldoon, who ordered the first injunction.

"That is the effect of turning against people for what they cannot help, for what they cannot change even if they wished to do so. The rotten corrosiveness of racism disparages and ridicules other people just for drawing breath for living."

Commenting at the time on the March injunction, the Canadian human rights chief commissioner, Max Yalden, said, "Justice Muldoon has ruled just the way we would have liked. This telephone line has gone beyond the limit of free speech that is acceptable in our society."

JNF ALLOWS GAY GROUP'S PLAQUE, SETTLING A LONGSTANDING DISPUTE

By Debra Nussbaum Cohen

NEW YORK, July 12 (JTA) -- A 14-year battle between the Jewish National Fund and the World Congress of Gay and Lesbian Jewish Organizations has finally been resolved.

As a result, a plaque bearing the words "Fourth International Congress of Gay and Lesbian Jews" will be posted at the site of a 3,000-tree woodland in Lahav, Israel, that members of the group originally planned to dedicate in 1978.

At that time, there was no such thing as the World Congress, which today is an umbrella group of 42 synagogues, havurot and organizations of gay and lesbian Jews. Instead, groups of gay and lesbian Jews worked together in a loose network and gathered periodically for conventions.

The dispute dates back to 1977, when gay and lesbian Jews began buying trees through JNF, earmarking contributions to honor the Fourth International Congress of Gay and Lesbian Jews.

When they arrived at the Lahav forest, in the north-central Negev, a year later to dedicate the woodland, JNF officials told them that it could not be done and that they could have their money back, according to Barrett Brick, executive director of the World Congress.

"We told them they couldn't stop us from performing a mitzvah," he recalled. And so began a battle that would go on for over a decade.

JNF's policy at the time was to inscribe a plaque with a particular group's name only when one check, for all the trees, came from that group, according to Stuart Paskow, director of communications and information for the land reclamation agency.

Pressure From The Right Wing

But JNF was also under pressure at the time from right-wing groups in Israel to prevent the dedication of the site to a homosexual group.

Unable to find a way to resolve the issue, the two groups agreed to install a blank plaque.

In 1988, members of the World Congress began contacting JNF again, said Paskow. A year later, he met with Brick and Arthur Leonard, an attorney for the World Congress.

It was then that "we decided to see what we could do through patience and understanding, rather than posturing," said Paskow.

By the end of last year, the JNF had agreed to inscribe the plaque with the name of the group. The decision was announced last Friday, at the World Congress' annual board of directors meeting in Atlanta.

The new plaque has been ordered and will be unveiled within four to six weeks at the World Congress woodland, located in Israel's largest forest, which contains 9 million trees.

"As a Jew, and as a gay person, I am doubly pleased that the JNF has finally acceded to our request," said Brick. "We are thrilled that the JNF joins the State of Israel, and the vast majority of the Jewish community, in committing to a society inclusive and supportive of all Jews."

"Our bonds with Israel remain unbroken, and we look forward to expressing them once again through the JNF," he said.

When asked if JNF was concerned about a negative reaction to its decision from right-wing or Orthodox Jewish groups, Paskow said, "We did what was the right thing to do, and we're prepared to stand behind it."

JAPANESE GOVERNMENT REJECTS ARTICLE BLAMING STOCK MARKET TROUBLE ON JEWS

By Tom Tugend

LOS ANGELES, July 12 (JTA) -- The Japanese government has taken the unusual step of repudiating an article in a major Japanese magazine that blamed an international Jewish conspiracy for a 27 percent tumble this year in the Tokyo stock market.

At a news conference held last Friday in Tokyo, Foreign Ministry spokesman Sadaaki Numata labeled the anti-Semitic article "undesirable," "inappropriate" and "prejudicial."

The article appeared in the weekly Shukan Post, a sensationalist Japanese magazine with a circulation of 800,000, under the headline "Stock Price Manipulated by Jewish Capital." It charged that "Jewish money" engineered the sharp drop in stock prices as part of an "invisible economic war" meant to weaken Japanese companies for foreign takeover.

The four-page article claimed that Japan's capitalist system was being destroyed by the arbitrage firms of Salomon Brothers Inc. and Morgan Stanley & Co., both described as controlled by Jewish forces linked to the Rothschild banking family.

For good measure, the article added that undeclared presidential candidate H. Ross Perot had made \$1 million out of Tokyo's troubles.

A report on the Shukan Post article appeared in the Wall Street Journal of July 3, filed by the paper's Tokyo correspondent, Quentin Hardy, who also wrote that the Tokyo branch of Salomon Brothers had received a series of hate messages by fax, accusing the firm of being part of a Jewish conspiracy to dominate Japan.

The next working day, two leaders of the Los Angeles-based Pacific Rim Institute of the American Jewish Committee telephoned the Japanese Foreign Ministry to express their concern.

'Highly Unusual Step'

Bruce Ramer, the institute's chairman, and Neil Sandberg, its director, who made the calls, spoke following the news conference, praising the Japanese government for acting promptly and publicly to repudiate the article.

Sandberg, who deals frequently with Japanese officials as part of the institute's efforts to combat anti-Semitism and improve Japanese trade ties with Israel, said that the Tokyo government was normally extremely reluctant to comment on free press issues, and that its repudiation in this case represents a "highly unusual step."

In a transcript of the Tokyo news conference, Hardy of the Wall Street Journal brought up the Shukan Post article and asked, "How does this affect the way Japan is viewed? Why does the Japanese government tolerate such irresponsible accusations?"

Responding, spokesman Numata said, in part, "We do feel that it is undesirable that such reports with anti-Semitic overtones stir up prejudices. We also feel that in the light of the history of persecution of the Jewish people, we should understand the sensitivity of the Jewish people to such reports. He also said the government considers it "inappropriate to link the movements in the market to conspiracy theories."

In recent years, numerous anti-Semitic books and articles have appeared in Japan, often claiming that an international Jewish conspiracy is plotting to take over the world economy.