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U.S., ISRAEL NEGOTIATING DEAL TO OFFSET IMPACT OF F-15 SALE

By Cynthia Mann
States News Service

WASHINGTON, Sept. 15 (JTA) -- The United States and Israel are in the midst of striking a deal involving closer military cooperation as a way of offsetting the planned U.S. sale of 72 advanced F-15 aircraft to Saudi Arabia.

Israeli and American Jewish reaction to the \$9 billion F-15 sale, announced last Friday, had been muted because of a pledge by President Bush that he would not allow Israel's qualitative military edge to be eroded by the sale.

In fact, top U.S. administration officials have been engaged in close consultations in recent weeks with Israeli Prime Minister Yitzhak Rabin and Ambassador Zalman Shoval to forge an agreement that would ensure Israel's continued military superiority in the region through closer cooperation with the United States.

The agreement appears to suit both Bush, who is trying to woo Jewish support in his tight presidential race, and Rabin.

"Rabin said he wasn't going to fight a lost battle over the sale, but he can take advantage of it to firm up" strategic relations with the United States, said Robert Satloff, an analyst for the Washington Institute for Near East Policy who recently met with Rabin in Israel.

A working group of high-level military and technical experts from both countries has been established to craft an agreement to provide Israel with increased access to American intelligence and high-technology equipment.

The experts are charged with securing arrangements for American military equipment to be stored in Israel, which would be drawn down for Israel and for the United States should the need arise.

'More Than Just Compensation'

Also on the agenda are ways to beef up cooperation between the two countries' armed forces, ways of improving high-technology military cooperation and Israel's inclusion in the proposed Global Protection System, an early-warning radar system that would alert Israel of missile attacks.

"It is not a redefinition" of the U.S.-Israel relationship, said Satloff. "But it is more than just compensation for the F-15s. It seems like an attempt to put the strategic relationship on a firmer footing in the post-Cold War era."

Ruth Yaron, spokeswoman for the Israeli Embassy here, said it is "much too early to characterize" the agreement. But she said the cooperation sought "is in keeping with the tradition of the relationship and the longstanding commitment by the United States to maintain Israel's qualitative military edge."

While no one discounts the role of presidential politics in the timing of the deal, some Jewish leaders say that the cooperation represents an ongoing trend and that it is not fair to ascribe to it solely political motives.

"The level of (U.S.-Israel) cooperation has increased steadily" despite the presumptions about the Bush administration's policies toward Israel, said Malcolm Hoenlein, executive director of the

Conference of Presidents of Major American Jewish Organizations.

"There have been 2,500 military contacts" between the United States and Israel in the last year, he pointed out.

But the new effort, he said, is a qualitative jump in cooperation that reflects the dangers to Israel posed by the Saudi sale.

"It is a recognition of the common stakes we have, that maintaining Israel's superiority is in the American national interest," said Hoenlein.

While legislation was introduced Tuesday to block the Saudi sale, the package is expected to sail through Congress because it has been touted as a virtual jobs-creation program, which will be hard to resist in an election year.

A two-thirds majority in the Senate and House of Representatives would be needed to block it within 30 days of formal notification, which occurred Monday.

PROGRESS IN TALKS WITH SYRIA SLOW AS TALKS ON REGIONAL ISSUES RESUME

By Cynthia Mann
States News Service

WASHINGTON, Sept. 15 (JTA) -- The Israeli-Syrian peace talks, which resumed Monday after a 10-day break, have been progressing slowly this week. But the Israelis are playing down any disappointment they may have felt.

The two parties are wrestling with the terms of a settlement that would ultimately involve Israeli territorial concessions on the Golan Heights in exchange for a peace accord between the two countries.

Syria is demanding total Israeli withdrawal from the Golan as a requisite to peace. While Israeli officials in Jerusalem have said they would consider a partial return of land, the negotiators here have not spelled out their willingness to withdraw from any of the territory.

The Syrians dismissed as inadequate and ambiguous an Israeli negotiating paper presented Monday, which they said made no mention of returning land.

The Israelis explained that they want to hear more about the type of peace Syria envisions before they tip their hand on the question of territorial concessions.

"There are points of disagreement, and it is not possible to make swift or dramatic progress every day," Itamar Rabinovich, the head of the Israeli team negotiating with Syria, said after a 2 1/2-hour session Tuesday.

"But I am not unhappy or disappointed about that. I would describe today's meeting as a strenuous effort to bridge over differences," he said.

Despite the differences, the Syrians seemed determined to avoid the impression that the talks were deadlocked.

Bushra Kanafani, spokeswoman for the Syrian delegation, said Monday that the negotiators were approaching every issue on the table "with an open mind."

And Rabinovich stressed that the Israelis are willing to "reformulate" some parts of their paper "when we are satisfied on some points that are very essential."

Rabinovich has said he hopes the two sides

will reach a preliminary agreement before the current round of talks ends Sept. 24.

Meanwhile, this week saw the resumption of some of the tracks of the multilateral talks on Middle East regional issues.

In Moscow, talks on arms control started Tuesday and were scheduled to last three days, while two days of talks on water resources resumed the same day in Washington.

Talks on economic development and the environment are slated to open next month in Paris and The Hague, respectively, while those on refugees will reopen in November in Ottawa.

All of these talks are being boycotted by Syria and Lebanon, while the Israelis have refused to attend the sessions on refugees and economic development because they say the rules barring participants from East Jerusalem have been broken.

While the heart of the peace process is in the bilateral talks, it has been hoped that progress in the multilateral talks would spur the peace process by building confidence that the Arab world is prepared to coexist with Israel.

The talks are being sponsored by the United States and Russia, with 36 countries in all participating.

"It's a complement to, not a substitute for, the bilaterals, and we certainly encourage all parties to attend," State Department spokesman Richard Boucher said this week.

Visiting Israeli Deputy Foreign Minister Yossi Beilin said Monday that the Israelis had viewed the multilaterals as "redundant" but that this view had changed.

He said that for now, the bilaterals may be more important, but once an interim or permanent solution is found to the bilateral conflicts, the multilateral efforts to address regional concerns will be more important.

FRENCH FOREIGN MINISTER MEETS ASSAD AFTER CONFERRING WITH ISRAELI MINISTER **By Michel Di Paz**

PARIS, Sept. 15 (JTA) -- French Foreign Minister Roland Dumas held a brief, previously unannounced meeting with Syrian President Hafez Assad on Monday, reportedly at Israel's request.

The meeting, which took place in Damascus, followed unusually extensive talks Dumas held last week in Paris with Israeli Foreign Minister Shimon Peres.

While in the Syrian capital, Dumas also met with Syrian Foreign Minister Farouk al-Sharaa.

In Jerusalem, Israeli Foreign Ministry officials said Tuesday that Dumas had transmitted no messages from Israel during his visit to the Syrian capital.

Peres, for his part, confirmed that he had discussed Syria and its role in the peace process at the Paris talks, but said he asked the French government to undertake no special action.

In a radio interview Tuesday, Dumas said, "I think there exists on the Syrian side as well as on the Israeli side a desire for peace that has not been expressed in such a way until now.

"You heard Mr. Peres in Paris, and Israeli leaders, call on France to play a role in (the Middle East) conflict. It's true that today new things are happening in the peace process. Everywhere that France can be useful it will try to be," the French foreign minister told Europe 1 radio.

The French initiative was approved by

President Francois Mitterrand, to whom Dumas was due to report. The French president is recovering in a Paris hospital from a bladder operation.

Peres' meeting with his French counterpart last week, which had been scheduled for one hour, stretched out to over two. With little time lost for translation -- Peres is fluent in French -- it is believed the two may have mapped out what Dumas was to say in Syria.

Dumas declined to elaborate on his message to Assad. But he said Israel's will to reach a peace agreement with Syria was now matched on the other side.

He cautioned that "all this will take a very long time."

Assad reportedly said there are many difficulties on the road to peace but that those problems "can be examined."

The French minister is to leave next week for a visit to Saudi Arabia.

SYRIAN ECONOMY MAY MOTIVATE ASSAD TO REACH PEACE ACCORD WITH ISRAEL **By Gil Sedan**

JERUSALEM, Sept. 15 (JTA) -- President Hafez Assad of Syria may be motivated to make peace with Israel as a way of solving his country's chronic economic problems.

Not only will peace bring tremendous savings in the defense budget, but it will attract foreign investors and boost the economy, analysts say.

Like Anwar Sadat of Egypt 15 years ago, the desire to heal the economy may be one of the prime incentives underlying the sound of peace from Damascus.

With its 13.5 million inhabitants, Syria has an annual budget of \$8.3 billion, with an external debt of \$15 billion, mostly to Russia.

Almost a quarter of the national budget -- \$2.2 billion -- goes to defense.

But the peace process has already allowed Syria to cut its defense budget by 11 per cent. And the decrease in tensions has led the Syrians to anticipate an immediate increase of 25 percent in tourism.

Three years ago, Syria was on the brink of bankruptcy. However, American economic rewards for Syrian support in the 1991 Persian Gulf crisis, and the discovery and development of oil fields, have set the Syrian economy on the road to recovery.

Syria now produces some 500,000 barrels a day, with an annual oil revenue of more than \$2 billion.

The debt to Russia -- mostly for the vast arms purchases there -- remains an onerous economic burden.

Foreign Minister Farouk al-Sharaa visited Moscow recently, and came back with a repayment schedule to be spread over the next 10 years.

Syria has not waited for a peace treaty with Israel to be signed to enact a new investment bill aimed at attracting foreign investors.

Tourists and journalists have reported a marked improvement in Damascus over the past few months.

Shops are plentifully stocked and offer such Western goods as Reebok running shoes and Levi's jeans, although, at an average wage of \$100 a month, few Syrians can afford them.

Restaurants and coffee houses are full and even chronic power failures are said to have disappeared, say visitors.

**U.N. GENERAL ASSEMBLY SESSION OPENS
WITH LINGERING BITTER TASTE OF PAST**
By Larry Yudelson

UNITED NATIONS, Sept. 15 (JTA) -- As the 47th annual session of the U.N. General Assembly opened Tuesday, a bitter taste lingered from the closing session of the previous assembly the day before.

In his final address as president of the General Assembly, Samir Shihabi of Saudi Arabia spoke about the Middle East in terms that scarcely reflected the progress of nearly a year's worth of peace talks and the election of a new Israeli government.

Replacing Shihabi in the largely ceremonial post will be Stoyan Ganev, the foreign minister of Bulgaria.

Shihabi, a Palestinian, warned that the "problem of Palestine and the Middle East" is "still being steered toward the unknown" and constitutes "a time bomb that will threaten world peace."

This, he said, despite "all the efforts being exerted at present to reach a solution that may restore the legitimate rights to its people, or to stop the deterioration therein and the aggression upon it."

"The deprivation of the people of Palestine, of their land, and of their legitimate and human rights continues, the practices of which are being disclosed every day by international agencies and humanitarian organizations," he said.

Shihabi's speech was a reminder that while much has changed in Israel's relationship with the international community, the day-to-day business of the United Nations has yet to catch up.

Before the United Nations gets down to the business of drafting and debating resolutions, the annual session starts with addresses from representatives of each country.

President Bush will address the world body Sept. 21, and Israeli Foreign Minister Shimon Peres will speak Oct. 1.

Israel To Get New Envoy

The addresses of the Arab representatives will be seen by some U.N.-watchers as a gauge of how Arab sentiment is shifting in the wake of the apparent progress being made in the peace talks currently under way in Washington.

Israel will be getting a new U.N. ambassador in October. The post will be filled by Gad Ya'acobi, a former Cabinet minister and Labor Knesset member who will replace Yoram Aridor of Likud.

This year, as in many years past, Israeli diplomats expect the General Assembly to adopt roughly 35 condemnatory resolutions. Among the issues likely to be revisited are Israel's 1981 bombing of Iraqi nuclear facilities and its refusal to accept an international peace conference under U.N. auspices.

The fact that Israel is participating in extensive talks with its Arab neighbors may well not be reflected in the language of the resolutions, which are usually introduced unchanged each year.

And while the Israelis expect to reduce the margin by which the traditional anti-Israel resolutions pass, they hold few hopes of defeating them altogether.

The addition of 18 new countries to the United Nations in the past year, bringing total membership of the world body to 179, is seen as increasing the tally in Israel's favor. Most of the

new countries, particularly those in Eastern Europe, have ties with the Jewish state.

Israel's diplomatic agenda will not be strictly defensive, however.

A year after reversing the 1975 General Assembly resolution labeling Zionism as a form of racism, Israeli diplomats hope to overturn another taboo: that against Israel sitting on the U.N. Security Council.

Israel's 44-year absence from a council seat has been in part a direct consequence of it not being a member of any of the U.N.'s regional groupings. Alone among U.N. members, Israel's neighbors have blocked its entry into the Asian regional group.

This year, Israel is seeking to join the Western European group, a group that already includes the United States and Canada. If it wins the backing of group members, it would be eligible for one of the council seats allotted to Europe.

**CHINESE FOREIGN MINISTER ARRIVES
IN ISRAEL, SIGNALING CLOSER TIES**
By Hugh Orgel

TEL AVIV, Sept. 15 (JTA) -- Signaling the widening of ties between Israel and China, the foreign minister of the People's Republic of China arrived here Tuesday evening for a three-day official visit.

Qian Qichen, the highest-ranking Chinese official ever to visit Israel, traveled here with eight senior government officials. His visit was being covered by three Beijing journalists who arrived Sunday on a direct El Al flight from the Chinese capital.

Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres were expected to voice concern to the senior Chinese official over Beijing's arms sales to Arab countries, according to an Israeli press report.

The Israeli leaders are especially anxious over Beijing's recent agreement to provide Iran with nuclear technology and know-how, the report said.

News reports also cited plans to discuss with the visiting Chinese officials the transfer to the Israeli government of Jewish property in China, primarily real estate in such large cities as Shanghai.

Jews fled to China, mainly Shanghai, during the Nazi era.

Groundwork for the transfer was laid by an Israeli Justice Ministry official, who flew to Beijing with journalists and airline officials Sept. 3 on El Al's inaugural flight to China.

The official, Amram Blum, remained in China after the rest of the Israeli delegation returned home Sunday.

One of the houses is reportedly being considered as the site of El Al's offices in China.

The possibility of realizing the ownership of Jewish assets in China was raised by the former director-general of the Israeli Foreign Ministry, Reuven Merhav.

An invitation to visit Israel was extended to Qian by then Israeli Foreign Minister David Levy at the beginning of the year with the opening of diplomatic relations between the two countries. It was renewed by Shimon Peres when he became foreign minister two months ago.

In a parallel show of openness, the Chinese Embassy in Washington on Monday hosted leaders of American Jewish groups at a kosher luncheon.

CJF BOARD APPROVES PLANS TO ENHANCE FEDERATION CONTINENTAL RESPONSIBILITY

By Larry Yudelson

NEW YORK, Sept. 15 (JTA) -- The Council of Jewish Federations took two steps forward this week toward a North American Jewish community that sees itself, and governs itself, as more than a collection of localities across the continent.

Meeting in St. Louis, the CJF board of directors approved new bylaws for the organization. The move, which needs to be ratified by a two-thirds vote at the CJF General Assembly in November, would effectively turn the CJF into a parliament of local federations of North America.

And in a related change, the CJF board of directors approved a plan that will change the way some national Jewish agencies are funded by local federations.

Both moves are being hailed as enabling federations and the CJF to deal more effectively with problems of a continental nature. (Continental is the term of choice, rather than national, because CJF includes Canadian federations.)

These problems range from funding population studies and disaster aid, to dealing with assimilation and the migration of elderly Jews.

"If we really mean what we say, that every Jew is responsible for one another, that has to be translated in time into the ability to act nationally," said Conrad Gyles, a CJF vice president and co-chairman of the committee that drafted the new governance proposal.

While federations have always sent nearly half of the money they raised overseas, primarily to Israel, problems in America are generally addressed on a city-by-city basis.

'Taxation Without Representation'

The idea of federations taking responsibility for continental problems arose a few years ago.

The watershed is considered to have been a 1990 decision that federations would chip in a "fair share" of the overall cost of resettling refugees from the former Soviet Union, rather than having the costs paid individually by the Jewish communities where they settled.

And this week, CJF authorized a \$2 million relief fund for the Miami area, following the damage caused by Hurricane Andrew.

Such efforts, however, have been hampered by the inability of CJF to demand, rather than ask, money of its members.

"We can't force anybody to pay their share," said a CJF official, "even though their share is necessary to solve the problem."

Also, many federations without representatives on the current CJF board argue that requests to contribute constitute "taxation without representation."

A third of the federations, for example, did not pay the amount they were assessed for the 1990 National Jewish Population Study.

Under the proposed new CJF bylaws, all federations -- numbering nearly 190 -- will have at least two delegates on a Board of Delegates, which will number 460 to 500 members.

Delegates will wield a weighted vote, reflecting the size of their Jewish community and the amount of money the federation raises. The largest city, New York, will command 92 votes.

All votes will be cast as a bloc, emphasizing the fact that delegates vote only as representatives of their federations.

And to ensure that CJF reflects the needs of

all its members, the proposed executive committee will guarantee representation from small- and medium-sized cities from the different regions of the continent.

Along with increased representation, the proposed new bylaws will impose, for the first time, actual taxation on member federations.

If approved by a large enough vote, what planners are calling a "mega-majority," CJF will be able to demand payment from its member federations, up to a specified limit.

85 Percent Approval Required

As proposed, that limit stands at 0.1 percent of the annual campaign, a sum equal to roughly \$850,000. The amount allocated to various federations would range from \$70 for the smallest to nearly \$50,000 to New York.

But this overall limit is less than half the amount judged necessary, and approved on a non-binding basis, for the Miami relief effort.

Gyles anticipates, though, that the CJF taxation powers will, over time, be increased.

The proposal would require that any mandatory levy be approved by both 85 percent of the federations voting on the issue and by 85 percent of the weighted votes cast.

The 85 percent figure was chosen to allow any grouping of federations -- the small federations or the federations in the Southwest, for example -- to block a levy they opposed, while making it impossible for the three largest federations to veto a measure on their own.

In addition, any vote on such a measure would require ample notice and a larger than usual quorum. In an emergency situation, the smaller executive committee could approve a binding levy, but only if all federations were given notice and the telephone numbers of all executive committee members to make their opinions known.

The other measure passed by the CJF board that reflects concern for continental responsibility involves the funding of national Jewish agencies.

For decades, the budgets of 18 national agencies, ranging from the Anti-Defamation League to the North American Jewish Students Appeal, have been examined and approved by a CJF committee known as the Large Cities Budgeting Conference.

Greater Influence Over Agencies?

On the basis of the amount validated by the conference, the organizations make their fund-raising appeals to the various federations.

In recent years, the amounts actually raised have fallen further and further below the amount authorized by the conference.

Under the new plan, which will take effect next April, the budgeting conference will be replaced by two committees jointly referred to as the National Funding Councils.

These councils will give federations a greater voice, since their votes will be weighted based on how much they are willing to contribute to the national agencies.

The funding councils will directly allocate the money contributed by the member federations, meaning that the national organizations selected to be "allocated" will not have to make separate appeals to all of the member federations.

At the same, because the funding councils will have a direct influence on the budgets of the national agencies, the new structure is seen as giving federations a greater influence over them.