

**LEBANON VIOLENCE AND U.S. TRANSITION
COMPLICATE RESUMPTION OF PEACE TALKS****By Cynthia Mann
States News Service**

WASHINGTON, Nov. 9 (JTA) -- Continuing violence along the Israeli-Lebanese border marred the resumption Monday of the seventh round of Middle East peace talks.

At the same time, President-elect Bill Clinton told Israeli Prime Minister Yitzhak Rabin in a telephone call Monday that he hoped there would be no "slowdown" in the talks during the transition between U.S. administrations. He also pledged to work closely with Rabin to achieve peace in the region.

The Bush administration, meanwhile, pledged to the Israelis its full cooperation with Clinton's transition team to ensure the talks would continue without interruption.

This week's first negotiating session between the Israelis and the Lebanese was cut short after the chairman of the Israeli team delivered a blunt statement, intended to register what he called "our very, very serious view of what is happening" on the border and to warn it would not be tolerated.

"If there is no security on our side of the border, life will become intolerable on your side of the border as well," said Uri Lubrani, recounting to reporters what he told the Lebanese team. "The latest attack will not pass unnoticed."

Lubrani's comments followed attacks by Katyusha rockets from Lebanon into Israeli towns and villages in the northern Galilee region.

The Lebanese claimed the firings were the response to an Israeli air raid over the weekend in the Bekaa Valley, in which four Lebanese lives were lost.

The Israelis also protested the violence with the Syrians, according to Israeli spokesman Yossi Gal. The Syrians control the areas in Lebanon that are strongholds of Hezbollah, the guerrillas waging the attacks.

Will Pursue Peace -- And Terrorists

But Gal made it clear that the Israeli government views the latest violence as a continuing effort by extremists to derail the peace process and that Israel would not yield to their tactics.

"Our policy is clear," said Gal. "We will pursue the peace process as if there is no terrorism and pursue terrorism as if there is no peace process."

The talks with the Lebanese were scheduled to resume Tuesday and were expected to continue to focus on terrorism, violence and security. These talks are intended to establish a mechanism with which to address mutual security concerns along the border.

The current round of hostilities follows an outbreak of terrorist attacks in the territories and fierce fighting in southern Lebanon two weeks ago, before the talks recessed for the U.S. elections.

Despite the violence, however, the round of talks produced a breakthrough prior to the recess that was being built upon this week. The Israelis and the Jordanians agreed on an agenda that was seen to open the way for real progress.

Gal reported the parties were "on the verge" of finalizing an agreement that will determine the structure of the talks, the principles that govern them and the issues to be negotiated, including borders, water, security, refugees and the essence of future relations between the two countries.

The agreement's central feature is the declaration that the objective of the talks is a comprehensive peace agreement. The Israelis hope the agreement with Jordan will serve as a model for the bilateral talks with Syria, Lebanon and the Palestinians.

More Assurances Sought

The Israelis and the Syrians, meanwhile, continued to focus on an effort to reach a similar agreement on a joint declaration of principles to help guide their talks.

But the talks remained stalled over Israel's refusal to spell out the territorial concessions it is willing to make on the Golan Heights until Syria spells out the "exact nature and content of the peace" it envisions with Israel in return for those concessions.

Syria "cannot expect us to commit to a price unless we're allowed to examine the merchandise," said Gal.

More progress has been made recently in the talks between the Israelis and the Palestinians in their effort to reach agreement on a Palestinian interim self-governing authority in the territories.

Prior to the recess, negotiators broke up into small working groups to discuss the nature and scope of such an authority, while the Israelis agreed to review a 12-point proposal to protect Palestinian human rights.

There is some question whether real progress on this track or in any of the other negotiations can be made before the Clinton administration assumes power.

Clinton himself has issued blanket assurances that he is committed to the peace process. But the various parties are known to be eager for more confidence-building signals from Clinton's transition team before they move into the substantive phase of talks, where difficult risk-taking will be required.

The Bush administration has met with the delegations and assured them it will continue to be engaged in the peace process until the reins of government are officially handed over to Clinton and his team.

**KIRYAT SHMONA TAKES TO SHELTERS
TO AVOID HEZBOLLAH'S KATYUSHAS**
By Hugh Orgel

TEL AVIV, Nov. 9 (JTA) -- Islamic fundamentalist forces lobbed Katyusha rockets into a broad swathe of northern Israel Sunday night, forcing residents of Kiryat Shmona into shelters.

Several salvos of rockets fell in an area extending from western Galilee to the Galilee panhandle, generating a number of crop fires. But they caused no casualties or other damage.

The attack followed a raid by Israeli aircraft on Hezbollah bases at Ein a-Tine, north of the Israeli security zone in southern Lebanon.

Kiryat Shmona children started school an

hour late Monday morning and the authorities canceled all school trips along the border area with Lebanon.

The latest round of violence triggered public differences over Israel's response to Hezbollah attacks amid ongoing peace talks in Washington.

Reserve Maj. Gen. Ori Orr, chairman of the Knesset Foreign Affairs and Defense Committee, urged "wise and careful examination" of updated intelligence information before deciding on an appropriate Israeli response, with intent to calm the area.

Orr was commander of the northern sector in 1986, when similar Katyusha attacks were lobbed at Galilee, which then, too, sent residents of Kiryat Shmona into shelters. At the time, Orr said the Israel Defense Force would act swiftly against the sources of the rocket fire as soon as they were found.

Those attacks were accompanied by terrorist incidents in Jerusalem and the territories.

Following this latest attack, a former chief of staff said the Hezbollah attack was an act of war and should be responded to in kind.

Knesset member Rafael Eitan, leader of the right-wing opposition Tsomet party, said 21 Katyushas had landed Sunday in Galilee.

The attack by Israeli aircraft Sunday was explained as a response to the continued planting by Hezbollah of roadside bombs directed at Israeli troops and allied South Lebanese Army forces inside the security zone.

Two Hezbollah members were killed in the raid and two more were wounded.

Spokesmen for the pro-Iranian terrorist organization threatened to retaliate for every life lost among their ranks.

ISRAEL TAKES MONETARY MEASURES TO BOOST ECONOMY AND CREATE JOBS

By Gil Sedan

JERUSALEM, Nov. 9 (JTA) -- In measures designed to stabilize the economy and create new jobs, the Israeli government this week devalued the shekel slightly and ordered a 1 percent decrease in the value-added tax.

A gradual four-year reduction in the tax on corporations was also announced by Finance Minister Avraham Shohat and Bank of Israel Governor Jacob Frenkel.

The value-added tax was cut from 18 to 17 percent.

The measures represent what economists believe to be a sounder response to growing unemployment than the large-scale public works programs urged even from inside the government.

The government is seeking to increase profitability of exporters by decreasing taxes and giving them more shekels for their dollars. This, in theory, should help create more jobs.

Devaluation was achieved by raising the "medium exchange rate" of the shekel vis-a-vis the basket of international currencies by 3 percent.

The basket is a measuring unit, determined by the Bank of Israel, that includes all major currencies. The "medium rate" is a fixed exchange rate that the central bank is authorized to fluctuate up or down by 5 percent.

The medium rate rose Monday vis-a-vis the basket from 2.8632 to 2.925.

This does not necessarily mean an immediate devaluation, since the exchange rate can go down 5 percent, as well as up.

However, by Monday the shekel was already devalued by 0.5 percent.

All major economic sectors welcomed the new measures.

The Histadrut labor federation promised to be flexible when the agreements on cost-of-living increases are renewed early next year. The business sector said the government was taking the high road toward combatting unemployment and securing economic stability.

But opposition politicians were critical. Likud Knesset member Dan Tichon described the measures as "too little and too late."

MAYORS KOLLEK OF JERUSALEM, LAHAT OF TEL AVIV ARE RETIRING

By Gil Sedan

JERUSALEM, Nov. 9 (JTA) -- The charismatic mayors of Jerusalem and Tel Aviv both say they are stepping down.

Teddy Kollek, 81, and Shlomo ("Cheech") Lahat, 65, said Monday they will not seek reelection next year.

Kollek has been in office 27 years, Lahat 19. The Jerusalem mayor, however, has agreed to postpone his official announcement two months to allow the Labor Party to choose a candidate as his successor in the high-visibility post.

Kollek backs his deputy, Amos Mar-Haim, for the job, which involves sensitive relations with the Arab population of East Jerusalem and administration of a city sacred to three religions. But Labor fears Likud might field a strong candidate, such as Ariel Sharon or Ehud Olmert, who would be hard to defeat with a relative unknown like Mar-Haim.

The mayor, however, made clear to Labor leaders on Monday that he is firm in his decision not to run again, a spokesman for Kollek said.

Lahat, a maverick Likudnik, called a news conference Monday to announce he would not seek a sixth term in the November 1993 elections. He said public officials should know when it is time to go home.

RABIN URGES VIGILANCE AGAINST MISHAPS

By Hugh Orgel

TEL AVIV, Nov. 9 (JTA) -- Prime Minister Yitzhak Rabin has issued an impassioned plea to Israeli military commanders to exercise vigilance to avoid accidents during training exercises.

"Remember that the gun also has a safety catch, not only a trigger," said Rabin, who also holds the defense portfolio and is a former Israel Defense Force chief of staff.

His call for putting "the safety consideration above all others" came as a top-level commission investigated a mishap last week that killed six members of an elite army unit and wounded six others.

The Cabinet is to direct its attention to army training accidents after the commission completes its inquiry into the still-unexplained firing of a missile early last Thursday, which caused the fatalities near Tze'elim, in the Negev.

Rabin said many parents of soldiers had served as soldiers themselves -- some were still called up to reserve duty -- and they understood the risks of battle. But training accidents were another matter.

"What can you say to a mother whose son was killed because a soldier failed to act in accordance with instructions?" asked Rabin.

ITALIANS RALLY AGAINST RACISM ON KRISTALLNACHT ANNIVERSARY

By Ruth E. Gruber

ROME, Nov. 9 (JTA) -- Tens of thousands of people all over Italy took part in demonstrations against racism and anti-Semitism on Monday, the 54th anniversary of Kristallnacht.

The demonstrations were given added meaning because of a series of anti-Semitic incidents over the past week and the attack by dozens of Jewish youths on the offices of a neo-Nazi skinhead group in Rome.

As many as 30,000 or more people, mostly students, marched through Rome on Monday morning, carrying banners and chanting slogans calling for racial harmony.

Many wore badges depicting a yellow Star of David -- such as the Nazis forced Jews to wear -- emblazoned with the words "Never Again."

At the head of the march was a group of Italian Holocaust survivors, who stressed that the events of 50 years ago must never be forgotten.

Similar demonstrations took place in as many as 30 other towns and cities under the motto, "We are all Jews."

Meanwhile, there were reports of new anti-Semitic incidents. On Sunday, during a soccer match in Florence between Rome and Florence, extremist fans of the Rome team unfurled a banner with the Italian flag on one side and a swastika on the other.

Florence fans shouted back, "You are like Jews," using the description as an insult.

"The racist cry was not contested by any part of the stadium," the newspaper *Il Messaggero* reported, adding that witnesses also had reported that some Rome fans gave the Nazi salute and waved the banner of the neo-fascist Youth Front movement.

Part Of An Orchestrated Plan?

Also Sunday, a fan at a soccer match in Rome, identified as 33-year-old Andrea Insabato, was arrested for having set fire during the match to a flag bearing the Star of David.

And on Monday, a Jewish-owned store in Frascati, near Rome, was found scrawled with a Star of David.

In a lengthy interview with *Il Messaggero* on Monday, Rome's chief rabbi, Elio Toaff, said he felt that there was a definite anti-Semitic plan afoot.

"The episodes over the past few months, which are continuing in macabre sequence in Germany, France, Belgium and, to a lesser extent, Italy, make me think that they are not isolated incidents," he said.

"There is a precise plan that nourishes the racist and anti-Semitic wind," he said.

"To block this wave of intolerance, we must act on two levels," he said. "Locally, it is necessary to isolate these extremists and not to permit them to act not only against Jews or immigrants, but all society. But also in the political sphere, it is necessary to understand who is behind this crazy fringe."

Toaff accused mainstream politicians of the right wing of being behind the extremists, even though their leadership disassociated themselves "at least officially" from skinhead groups.

He criticized the German government for being lax in cracking down against right-wing extremists, but praised, however, the attitude of the Italian state toward Jews.

ISRAELI AIR FORCE RESCUES YACHT STRANDED OFF SUDAN

By Hugh Orgel

TEL AVIV, Nov. 9 (JTA) -- Two giant Israeli air force helicopters flew more than 600 miles this week to rescue 10 passengers from a luxury yacht which struck a reef in the Red Sea, off the coast of Sudan.

Eight Israeli crew members of the *Fantasy 11* remained on board the listing vessel to protect it against piracy as they waited to be towed for repairs to Sharm el-Sheikh, at the southern tip of Egyptian-controlled Sinai, or to Eilat.

The vessel was taking on water but was not in immediate danger as Israeli, American and French passengers were lifted by winches Sunday and pulled into the helicopters.

The rescue was ordered at the topmost military level.

Prime Minister Yitzhak Rabin, who also holds the defense portfolio, and the Israel Defense Force chief of staff, Lt. Gen. Ehud Barak, gave instructions for evacuation of passengers adrift 47 miles off a hostile Sudanese coast.

Sudanese authorities were undoubtedly aware of the rescue operation but did nothing either to help or to interfere with it. Back safely in Eilat after evacuation with the passengers, the vessel's Israeli cook said the yacht ran into high winds eight days out to sea on a leisurely cruise from Eilat to the Seychelles in the Indian Ocean.

"Everything went flying. Mounds of spaghetti splattered the galley floor and crockery was smashed as the boat heeled over," said Netta Daiches, 35.

The vessel at first did not take on too much water and the captain said it would not capsize.

"There was a lot of concern, but no panic," she said. The eight-hour rescue operation was complicated by distance, the need to refuel en route and bad weather.

The round-trip mission involved a distance of over 1,200 miles and cost the air force an estimated \$1 million.

The commander of the Israeli air force air rescue unit praised the effectiveness of the helicopter crews in carrying out a complex operation.

BOMB SCARE AT BUDAPEST JEWISH CENTER

By Agnes Bohm

BUDAPEST, Nov. 9 (JTA) -- Police evacuated the Jewish Community Center here Sunday after an anonymous caller said a bomb would go off during an address by the Israeli ambassador.

After a 30-minute break, during which a police search uncovered no explosives at the downtown Budapest offices, envoy David Kraus resumed his address to an audience of 150 under the auspices of the Hungarian-Israeli Friendship Society.

Kraus expressed concern over the emergence of anti-Semitism in Hungary, where Istvan Csurka, a vice president of the ruling Hungarian Democratic Forum party, has broadcast and published attacks against Jews.

Leaflets attacking Jews for having too much influence were found earlier in the week on a train that had left from Budapest. Signed by a group calling itself Hungarian Realists, it charged that Jews occupy top positions in the country's scientific, cultural and media communities, and said Hungarians would not be "slaves and servants" of the Jews.

BEHIND THE HEADLINES: JEWS, PROTESTANTS RENEW DIALOGUE AFTER YEARS OF FROSTY RELATIONS

By Debra Nussbaum Cohen

NEW YORK (JTA) -- A recent high-level meeting between the World Council of Churches and Jewish interreligious affairs representatives may be the beginning of a renewed relationship between the two communities.

The meeting, hosted by IJCIC, the International Jewish Committee on Interreligious Consultations, was called in an effort to end years of frosty relations between the Jewish group and the WCC, the Geneva-based international umbrella group for Protestant and Orthodox churches.

Only time will tell how far good will can take the dialogue, but the fact that both sides want to try to rejuvenate the relationship was clear at the Oct. 23 meeting between WCC Deputy Secretary-General Todor Sabev and Jewish interfaith affairs leaders, said participants.

The good will is also present at the national level: the National Council of Churches, the North American Protestant and Orthodox umbrella organization, is inviting Jewish interreligious affairs leaders to begin an annual dialogue.

Ties between the organized Jewish community and Protestant leaders have lain fallow for the past several years.

The problems have been "personnel, personality, lack of interest and bad policy on Israel," according to Israel Singer, secretary-general of the World Jewish Congress.

The WJC and its president, Edgar Bronfman, currently hold the rotating chairmanship of IJCIC, the umbrella group charged with representing the Jewish community in dialogue with other religious groups. Singer is one of his spokesmen.

For Jewish interreligious affairs leaders, the last several years have been consumed by a string of crises with the Catholic Church.

Now the Catholic-Jewish relationship seems to be on a steady course, with the new Carmelite convent off the grounds of Auschwitz almost completed and the Vatican well on its way to establishing diplomatic relations with Israel.

And so, Jewish interreligious affairs experts are again turning to the Protestants, with whom there has been no official dialogue at the international level for seven years.

A Fresh Opportunity

The recent election of a new secretary-general of the WCC, Konrad Raiser, promises a fresh opportunity for re-establishing communication with the Jewish community.

But problems remain. One ongoing point of contention between the two groups has been that leaders of several of the WCC's 300 Protestant, Orthodox and Anglican denominations have in public been sharply critical of Israeli policies toward Palestinians.

Another obstacle to a solid working relationship past and present, say Jewish observers, is the Protestants' selection of a Jew who converted to Christianity to be the official representative working with Jewish community.

The WCC's current liaison to the Jewish community is Hans Ucko, an ex-Jewish Lutheran.

IJCIC members have strongly suggested to WCC officials that Ucko be removed from his position because his status as an apostate, from the Jewish perspective, is both a theological and pragmatic obstacle.

"One of our most important bones of contention is that proselytism cannot happen from an organization which includes evangelical churches. So we cannot have a person who was successfully evangelized be our representative," explained one IJCIC participant.

Another member, Rabbi Fabian Schonfeld, said that "for him to deal with us on Jewish matters we consider an affront, and insensitive to the Jewish people."

"It communicates that their attitude is 'we'll stick it to the Jews,'" said Schonfeld, co-chair of the interfaith affairs committee of the Synagogue Council of America. The council, an IJCIC member group, represents the Orthodox, Conservative and Reform movements.

"We will not have any dealings with the WCC on substantive matters if he remains in charge of Christian-Jewish matters," said Schonfeld, who is Orthodox. "They're fully aware that Ucko is an impediment. The ball is in their court."

Orthodox-Liberal Split Possible

If Ucko continues to serve as the WCC's official liaison to the Jewish community, IJCIC members will be confronted with a dilemma sure to split the organization along its Orthodox-liberal axis.

The Orthodox will probably refuse to work directly with Ucko. And the liberal participants, who agree that his being a convert from Judaism is a problem, will not likely let Ucko's background prevent the development of a relationship with the WCC.

Since each member of IJCIC has the right to veto any group decision, those who want to meet with Ucko will be doing it outside IJCIC auspices.

"A lot of us are going to do what we're going to do," said one liberal participant. "We are not going to permit the opposition from keeping us from functioning. We're looking for long-term progress" with the WCC.

The WCC is not the only church group to appoint someone with a Jewish background to deal with the Jewish community, and opposition to the practice is one of the rare issues on which IJCIC members are united.

Other prominent church officials include Jay Rock, the National Council of Churches' co-director for interfaith relations. Rock, who was born to a Jewish father, deals with the Jewish community on behalf of the council's 32 North American Protestant and Orthodox denominations.

And Monsignor Robert Stern, secretary-general of the Catholic Near East Welfare Association, an international Catholic welfare agency that works in the Middle East, was also born to a Jewish father.

The Rev. Joan Brown Campbell, secretary-general of the National Council of Churches, described Christian organizations selecting people with Jewish backgrounds to work with the Jewish community as "sort of a bias."

Rabbi Marc Winer, a Reform rabbi who serves as co-chair of the interreligious affairs and chairman of the domestic affairs committees of the Synagogue Council, put it more sharply.

"Deep down, lurking in their hearts, they see these representatives as 'their Jews.'"

"The problem," he said, "is not the halacha (Jewish law), but what assigning someone who is regarded as a Jew within their organization represents. It's an expression of Christian triumphalism which sticks in our craw."