

**JEWISH GROUPS MAINLY RELIEVED
AT RETREAT ON GUINIER NOMINATION****By Deborah Kalb**
States News Service

WASHINGTON, June 6 (JTA) -- Jewish groups have responded with mixed emotions to President Clinton's decision to withdraw his controversial nomination of Lani Guinier to head the Justice Department's civil rights division.

Concerned about Guinier's published views on such topics as the Voting Rights Act, a number of Jewish groups had sought for weeks to meet with Guinier and ascertain if she intended to implement her ideas at the Justice Department.

After weeks of attempting to define its position on the tricky issue of the nomination, much of the Jewish community seemed to heave a collective sigh of relief once Clinton abandoned his nominee.

In his June 3 announcement withdrawing the nomination, Clinton said he had not read Guinier's controversial academic articles about voting rights. Had he done so, the president said, he would not have nominated Guinier, an old friend from their days as Yale Law School students.

Guinier, a law professor at the University of Pennsylvania who has been involved in voting rights issues for much of her career, defended her writings at a news conference Friday.

Some Jewish groups had refrained from joining a recent statement by the Leadership Council on Civil Rights supporting the nomination, and this split in the black-Jewish alliance concerned some in the Jewish community.

After Clinton's announcement, not everyone in the Jewish community was eager to comment on the failed nomination, and those who did were looking to the future.

"This was a difficult and troubling nomination, and now that it is behind us, we look forward to a new nominee," said Mark Pelavin, Washington representative of the American Jewish Congress.

"We welcome President Clinton's dedication, reiterated again last night, to effect much-needed racial healing in our nation," Pelavin said Friday.

Need Someone Nation 'Can Rally Around'

Jess Hordes, Washington representative of the Anti-Defamation League, took a similar view.

"We respect the president's decision," Hordes said. "We had been looking forward to the opportunity to meet with her and discuss our serious concerns" about the positions she had taken in her writings.

"We hope the president will nominate someone the country can rally around," he added.

While not taking a firm position, both the ADL and AJCongress had issued written statements expressing concerns about the nomination. The two groups had sought to meet with Guinier before taking a final stand one way or the other.

The National Jewish Democratic Council, a group promoting grass-roots Democratic political activity, had not taken a position on Guinier's nomination, but spokesman Lewis Roth said the group "could understand why" the president was concerned about some of Guinier's writings.

Even before the nomination was withdrawn,

two Jewish groups, the National Jewish Coalition, a group promoting ties between the Republican Party and the Jewish community, and the Union of Orthodox Jewish Congregations of America, declared their opposition to Guinier's nomination.

On Friday, Matt Brooks, executive director of the NJC, expressed gratification that Clinton had withdrawn the nomination.

Brooks said the NJC hopes the next nominee for the civil rights post "is more reflective of the mainstream American view" on voting rights issues.

In Chicago, however, the Jewish Council on Urban Affairs, an organization dedicated to issues of social and economic justice, issued a statement calling the withdrawal of the nomination a "grave mistake."

Calling Guinier "probably the most qualified person ever nominated to this position," the group said the "recent comments about her work are a gross distortion" of what she believes and represents.

**ISRAEL NABS GANG BEHIND MURDERS
AND ARRESTS 120 FUNDAMENTALISTS**
By Cynthia Mann

JERUSALEM, June 6 (JTA) -- Israeli security officials have announced the arrest of 120 suspected Islamic fundamentalist militants, including a Jerusalem gang responsible for the murder of several Israeli police officers and civilians.

The government said Sunday that the captured gang of four men in eastern Jerusalem had confessed to the kidnapping and killing of a policeman last December that prompted the deportation of 415 fundamentalist activists to Lebanon.

According to Israeli officials, the four arrested Palestinians became linked to the armed wing of the Islamic fundamentalist Hamas group, only after the kidnapping and murder of Sgt. Maj. Nissim Toledano in December.

The Jerusalem gang also admitted it had murdered two traffic police officers who were sleeping in their patrol car in Israel proper on March 30. And they confessed to running down and killing two Israeli settlers standing on the side of a road in the West Bank on March 15.

Prime Minister Yitzhak Rabin said the arrests were a big blow to Hamas. Rabin, who also serves as defense minister, once again defended the government's controversial expulsion of the Hamas activists last December, a move that was condemned by the U.N. Security Council.

Rabin congratulated the Shin Bet, Israel's domestic security agency, for its success in cracking the network. The capture and interrogation of the suspects is expected to aid intelligence efforts in penetrating the remaining operations of Hamas cells and other extremist Palestinian groups.

But Rabin and Lt. Gen. Ehud Barak, the Israel Defense Force chief of staff, warned against complacency, saying the threat of terrorism continues and the fight against it will remain constant.

"Even tonight armed terrorists can carry out terror acts despite this successful operation," said Barak.

Police Minister Moshe Shahal said the opera-

tion dealt "a severe and damaging blow" to Hamas, but that the territories had not been cleared of Hamas activists and the hunt was on for others.

According to Rabin, the eastern Jerusalem gang was able to use Israeli identity cards and Israeli license plates to help it carry out its crimes.

The arrested men are also suspected of being involved in a number of car bombings, including one in the West Bank that killed the bomber and a Palestinian worker at the gas station where it exploded.

The car bomb went off next to two buses used to carry Israeli soldiers, but the soldiers were not inside at the time.

The arrested men are also suspected of having planned a number of thwarted car bombings in major urban centers.

Rabin, Barak and other security officials said the arrested men confirmed that the army's move to close off the West Bank and Gaza Strip more than two months ago had made it more difficult for them to carry out their operations.

SAUDI KING SPEAKS OF BENEFITS OF ENDING ARAB WAR WITH ISRAEL

By Larry Yudelson

NEW YORK, June 6 (JTA) -- Optimistic statements about the prospect of peace with Israel, made last week by King Fahd of Saudi Arabia and Jordanian Prime Minister Abdul Salam al-Majali, represent a positive change in attitude, according to Israeli officials.

In a lengthy and wide-ranging message to 2 million Moslem pilgrims who came to Mecca last week for the annual Feast of the Sacrifice, King Fahd spoke about the inevitability and benefits of peace with Israel.

Despite the failure of nine rounds of bilateral talks to produce concrete results, Fahd said that "the continuation of the dialogue indicates a mutual agreement that there is no alternative to peace and that there must be serious, realistic efforts to achieve this just demand for all."

Majali went further, saying: "I'm optimistic in regard to the possibility of achieving a peace treaty between Israel and Jordan before I end my term as the temporary prime minister of Jordan." His term is scheduled to expire in November.

Jordan has been negotiating with Israel in the bilateral talks in Washington, which are expected to resume later this month. Saudi Arabia is participating in the multilateral talks, concerning regional issues, which are also part of the process launched in Madrid in the fall of 1991.

These two statements, said an Israeli official, "demonstrate an important shift within some quarters of the Arab world, where peace with Israel is no longer a dirty word. It even shows a certain desire or yearning for this, an understanding that peace has more advantages for the interest of those countries."

King Fahd's remarks, said the official, are particularly significant, coming on the occasion of the religious pilgrimage. But the official also cautioned that the remarks themselves "are definitely not a breakthrough."

In his remarks, Fahd said Saudi Arabia would support any effort that "contributes to ending the state of war and enabling the region to invest all its resources and abilities in construction, growth and comprehensive development, offering all the people of the region prosperity after years of

bitter war and successive losses amid slogans that have cost us much and achieved nothing."

Fahd's remarks were not free from traditional attacks on Israeli positions: He placed the onus for the slow pace of the talks on the Israelis and spoke of the priority of "the rights of the Palestinian people."

Not Enough. But A 'Start'

But at the same time, he acknowledged the need for "security and peace for all."

"The facts of history prove that conflicts and wars achieve no victory and produce no gains," said the king.

"The Israelis must be convinced that the policy of expansion is no longer acceptable to the international community, and that the security guarantees it used to demand continuously cannot be achieved by ignoring the rights of the Palestinian people and continuing hegemony, tyranny and the occupation of the land, but by peaceful coexistence between neighboring states and peoples."

Tom Smerling, director of Project Nishma, a Jewish organization that conducts programs on security and peace and is supportive of the current peace process, said the statements by Fahd and Majali appear to reflect changes under way in the Arab world.

"There has been some change in the way a number of Arab governments talk about Israel and talk about peace," he said. "Clearly, rhetoric isn't enough, but this is where you have to start."

"We've often said peace is impossible until the Arabs moderate their rhetoric; this suggests that they're doing so, though unfortunately they're continuing to make many hostile statements."

ERRONEOUS REPORT ON LOAN FUNDS TRIGGERS CONCERN IN WASHINGTON

By Cynthia Mann

JERUSALEM, June 6 (JTA) -- A newspaper report that the Israeli government planned to use some of the American loan guarantee money for building roads in the West Bank and Gaza Strip has prompted worried calls from the U.S. administration and denials from Israeli officials.

The Jerusalem Post reported this week in a front-page exclusive that the Construction and Housing Ministry was embarking on a "revolutionary" project to build highways from inside the territories to Israel's sea and airports.

The budget for the project, according to the article, projected \$480 million for the first year, to come primarily from U.S. loan guarantees. The information was attributed to Aryeh Mizrahi, the ministry's director-general.

The story apparently was not well-received by the Clinton administration, since U.S. policy precludes spending the loan money outside Israel proper.

The story apparently triggered a call from administration officials to Finance Ministry officials here, who then sought an explanation from the Housing Ministry.

A Finance Ministry spokesman said Sunday that the newspaper misunderstood Mizrahi, who was intending to outline a broad picture of a future regional economy once Palestinian autonomy in the territories is realized.

Meanwhile, blanket denials of the report were issued by the two ministries and the Prime Minister's Office.

**NEO-NAZI ATTACK IN ONTARIO STORE
HEIGHTENS FEARS OF ANTI-SEMITISM**

By Gil Kezwer

TORONTO, June 6 (JTA) -- Police have arrested two neo-Nazis who assaulted and yelled anti-Semitic insults at the Jewish owner of an Ontario clothing store, raising anew questions about the extent of right-wing racism in Canada.

The confrontation began when Elliot Eisen, 50, owner of the Headin' West Store in Kitchener, asked a group of three people, two of them dressed in neo-Nazi garb, to leave his store.

The intruders shoved Eisen, spat on him, shouted anti-Semitic slurs and threw his merchandise down on the floor of the store in Kitchener, about 60 miles from Toronto.

"They were yelling, 'You fucking Jew, I'm going to kill you. Go back to your own country, you fucking Jews,'" said Allen Eisen, 18, the store owner's son.

Paul McGraw, 20, of Kitchener was charged with uttering death threats and assault with a weapon. And a 17-year-old minor was charged with trespassing.

They are both members of the white supremacist Heritage Front, according to Bernie Farber, a spokesman for the Canadian Jewish Congress.

The incident came just four days after skinheads and members of the small, yet highly vocal, Heritage Front group clashed with anti-racist protesters in front of the Parliament building in Ottawa, shouting the Nazi salute "Sieg Heil," among other slogans.

It was the worst outbreak of violence in the normally staid Canadian capital in several years.

Jewish groups reacted strongly to the attack in Kitchener.

"It has opened up an unfortunate new chapter of neo-Nazi activity in Canada," Farber said. "We can no longer be complacent."

Incidents Actually Decreasing

Frank Dimant, executive vice president of B'nai Brith Canada, repeated his call for a "national multilevel task force" to examine the problem of hate groups and hate propaganda and to recommend legal solutions.

"This incident serves to drive home the fact that Canada is facing a serious problem from racism and violence," Dimant said.

Despite the concern of the country's two main Jewish groups, the number of anti-Semitic incidents in Canada in 1992 dropped sharply from the previous year, according to an annual report released in March by B'nai Brith's League for Human rights.

Rabbi Dow Marmor of Toronto's Holy Blossom Temple, whose congregation recently held a forum on anti-Semitism, said he was not surprised to learn that the incidence of anti-Semitism was on the wane according to these reports.

"Jewish perceptions of anti-Semitism baffle researchers," Rabbi Marmor noted. "While there are strong indications anti-Semitism is actually decreasing in Canada, most Canadian Jews believe it is increasing. The objective facts do not tally with subjective perceptions.

In a feature article May 24 in Toronto's Globe and Mail, titled "Overanxious About Anti-Semitism," the prestigious national daily noted, "Prejudice against Jews is seen to be reaching crisis proportions."

Yet, the newspaper claimed, "polls show anti-Semitic views on a long-term decline."

**ANTI-SEMITIC HUNGARIAN POLITICIAN
OUSTED FROM PARLIAMENTARY FACTION**

By Agnes Bohm

BUDAPEST, June 6 (JTA) -- Hungarian right-wing extremist Istvan Csurka and four of his followers have been expelled from the ruling Hungarian Democratic Forum's parliamentary faction.

However, a proposal to expel the anti-Semitic Csurka from the party altogether was postponed by a decision taken over the weekend by the party's leadership.

Csurka's eventual fate in the party is being put before the party's "ethical committee."

Prime Minister Jozsef Antall appears determined to expel Csurka from the party, but prefers that the problem be seen as a moral or ethical issue, not as a political question.

Dr. Jozsef Schweitzer, leader of the Budapest Rabbinical Seminary, has said it would be good news for Hungarian Jewry if Csurka were expelled from his party.

Some Jewish leaders fear that Csurka's expulsion might make him into more of a hero among his followers and strengthen his support.

Csurka, whose anti-Semitic accusations have infuriated the Jewish community here and elsewhere, has blamed the nation's woes on liberals, Jews, Western financiers and the media.

Csurka's latest affront was the refusal to vote for approval of the Hungarian-Ukrainian treaty, in which both countries accept the borders between them as currently drawn.

The right-wing leader has said he promised to form his own political party if kicked out of the Democratic Forum. Last week, Csurka formed a group within the Democratic Forum, named Hungarian Justice.

Some groups have expressed concern that racism is growing in Hungary. The Hungarian Wallenberg Society claims that some schoolbooks have falsified aspects of the Holocaust, particularly as relates to the fate of Hungary's Jews.

The leading opposition party leader has questioned the Democratic Forum's handling of Csurka, asking whether the ruling party wishes to get rid of just the man or his ideas as well.

The Democratic Forum, along with kicking Csurka and his followers out of the parliamentary faction, also expelled two liberal legislators.

**HIGHER RADIATION LEVELS IN NEGEV
POSE NO THREAT, OFFICIAL MAINTAINS**

By Hugh Orgel

TEL AVIV, June 6 (JTA) -- Environment Minister Yossi Sarid has once again reassured the Israeli public that certain recreational spots in the Negev with radiation levels higher than those in surrounding areas pose no health danger.

Sarid was responding over the weekend to continued complaints by environmental activists that waste from the nation's top-secret nuclear research reactor near Dimona is endangering parts of the popular Little Crater hiking area in the northern Negev.

Among those expressing concerns were members of the Society for the Protection of Nature in Israel and the Parks Authority.

Sarid said that while the radiation levels at particular spots in the crater are indeed higher than the overall levels in the crater and elsewhere, the maximum found in continuing radiation level counts is well below accepted danger levels.

**BEHIND THE HEADLINES:
TOURISM BUSTLES IN SINAI TOWN
THAT ISRAEL RETURNED TO EGYPT**
By Gil Sedan

SHARM AL-SHEIKH, Egypt (JTA) -- A little more than a decade after Israel withdrew from the last strip of the Sinai desert, Egypt has developed a tourism industry on the peninsula with a potential for tremendous future growth.

The swath of desert that had long been thought of as a strategic asset when figuring out the Israeli-Egyptian military balance has now become more of an economic asset, threatening to take away business from Israel's own resorts.

In the past five years, Egyptians have worked hard at building the eastern coast of the peninsula into a major tourism resort, aimed at competing with famous tourism centers such as Agadir in Morocco, the Canary Islands of Spain and, of most concern to Israel, the resort town of Eilat, also located on the Red Sea.

Standing in front of the modern Hilton Feyrouz Hotel at Sharm al-Sheikh, the director-general of Hilton operations in Sinai, Claude Chesnais of France, said his company is basing its future operations on the assumption that a regional peace agreement is just around the corner.

Consequently, the company is building two new hotels along this beautiful 140-mile stretch of golden sand and crystal-clear blue waters, the site of a string of coral reefs and islands providing some of the most spectacular underwater scenery and richest marine life in the world.

Hilton is now opening a casino at its Taba hotel, just at the border crossing with Israel. As with Sharm al-Sheikh, Taba was returned to Egypt, but years after Israel had developed it.

Israel turned over to Egypt an already fully functioning vacation paradise, including the hotel, which was purchased by Hilton.

The development in Taba alone has raised growing concern among nearby Eilat hoteliers.

"We are concerned that people will spend the night in Eilat but will spend their money in Taba," said Rafi Hochman, the mayor of Eilat.

The Egyptians, notorious for being mired in bureaucratic red tape, seemed to have pushed aside all the formalities when they planned the future of the Sinai beaches.

Hotel Rooms For \$50 A Night

Within five years, Na'ama Bay, just north of the town of Sharm al-Sheikh, has become the site of luxury hotels, along with economy-class hotels, many offering deals of an average of \$50 a night per couple.

Palm trees planted along the beach have turned the place into an attractive combination of green, blue and golden sands.

A multitude of restaurants, varying in their fare from Middle Eastern food to Italian food, provide the tourist with a wide selection.

Some 70 percent of the tourists come here for scuba diving; others just want to lie by the water and relax.

And those tourists who seek action around the clock can find it easily. Local travel companies offer jeep trips to the colorful Sinai mountains, which reach almost all the way to the coast. Other offers include day-and-night hikes in the mountains, escorted by Bedouins and camels.

The town itself comes alive with activity as soon as the sun disappears in the mountains, with discotheques playing the latest pop music. Small

open-air coffeehouses are filled with young people from all over the world.

Sharm al-Sheikh differs from many other resorts in that it relies heavily on young tourists, some of whom spend their nights at nearby shacks for as little as \$3 a night.

The resort is aimed directly at attracting the Israeli tourism market. On average, a third of the tourists come from Israel, drawn by prices and facilities highly competitive with those in Israel.

Egypt, which in the past year has lost a third of its annual stream of tourists owing to attacks by Moslem fundamentalists, is making a particular effort to develop tourism in Sinai, where most of the population is composed of the traditionally hospitable Bedouins.

Uri Weiser and Shuki Preminger drove to Sharm al-Sheikh in their own car from Eilat. The first night they spent in a shack at Sharks Bay, along with other young tourists.

"We wanted to feel linked with the earth," Weiser said. The next night they moved up, to the Hilton. Comfort was apparently also a goal.

'An Effort To Make You Feel Good'

"We feel much more in common with the Egyptians and Bedouin here than we have felt, for example, with the Swiss and Germans when touring Europe," said Preminger.

"They make such an effort to make you feel good that you feel like it's almost a family. It is not the regular relationship between tourists and those who serve them," he said.

For Israelis, the visit to Sharm al-Sheikh also has its emotional difficulties. This is the site of the Israeli-built town of Ofira, which until 1973 Israelis believed they would never leave.

The late Defense Minister Moshe Dayan made a statement at the time which he later learned to regret: "Better Sharm al-Sheikh without peace than peace without Sharm al-Sheikh."

The housing complex which had served Israeli officers now serves as an extension of the Hilton. Other parts of the former Israeli town now house Egyptian families, who make a living off the local tourism industry.

Israelis also have not forgotten how in October 1985 an entire Israeli family was shot to death while relaxing on the Ras Burka beach, halfway between Sharm al-Sheikh and Eilat.

A final concern of tourists is the poor health facilities. Although there are two private clinics to handle diving accidents, there is no hospital here. Acute health cases must be driven or flown to the El-Tur hospital, some 62 miles away on the western coast of the peninsula, or to Eilat, across the border with Israel.

But despite these reservations, Israelis who vacation here leave thrilled.

"This is all we need in a vacation," said Armond Sharon, a police officer from Jerusalem. "As far as we are concerned, this is the essence of the peace treaty with Egypt."

ISRAEL GETS CHRISTIAN PRAYER LINE

TEL AVIV, June 6 (JTA) -- A Christian prayer line is to be inaugurated at the end of this month by Israel's national telephone company, enabling Christians around the world to phone church leaders in Jerusalem for joint prayers.

Former U.S. President Ronald Reagan is to be among those taking part in the opening festivities of the new service, which is expected to attract 3,000 calls daily.