

**CABINET ORDERS MORE AIR STRIKES
AMID CONCERN ABOUT AN ESCALATION**

By Gil Sedan

JERUSALEM, July 26 (JTA) -- The large-scale Israeli air strikes in Lebanon have started to strain the unity of the Israeli government, with some Cabinet ministers expressing fear that the country might be dragged into another Lebanon War.

When the Cabinet met Sunday to approve the raids, only one minister voted in opposition. By the time the Cabinet met again later in the day to endorse continuing the operation, four ministers voted in opposition and three abstained.

The government approval of further strikes came after two residents of the border town of Kiryat Shmona were killed when a rocket hit their apartment building late Sunday and set it on fire. Gabi Shimoni, 40, and Motti Bar-David, 24, were both buried Monday.

Eight other Israelis were injured in the counterattacks by forces of the Shi'ite fundamentalist Hezbollah in Lebanon.

Israeli air raids and artillery attacks on guerrilla bases throughout Lebanon continued for a second day Monday in what was described as the heaviest shelling since the 1982 Lebanon War.

Many residents of Galilee spent the day in shelters or fled southward to stay with relatives elsewhere in Israel as Katyusha rockets fired by Hezbollah forces fell on northern settlements.

Reports from Lebanon said some 16 people were killed in the Israeli raids, including two or three Syrian army soldiers. Over 60 Lebanese and Hezbollah gunmen were said to be injured in the air raids Sunday and Monday.

The intensive raids by Israel were taken in response to the deaths of seven Israeli soldiers in Lebanon this month. The seventh soldier, Cpl. Yonatan Boiden, 19, died of his wounds Sunday.

Another Israeli soldier apparently was killed Monday when Hezbollah guerrillas attacked a position in the security zone Israel maintains along the border in southern Lebanon. But no further details were immediately available.

Israeli planes and missile boats hit targets ranging as far afield as Lebanon's northern port of Tripoli and including the eastern and western regions north of the security zone.

The Israeli raids were followed by Hezbollah rocket counterattacks in tit-for-tat clashes Sunday and Monday.

Children Evacuated From Galilee

Israeli villages and kibbutzim around the country invited northern towns to send their children and elderly for a few days' vacation away from the danger zone, responding to a call by the mayor of Kiryat Shmona, Prosper Azran.

At the mayor's request, the Jewish National Fund evacuated 500 children from the area and relocated them temporarily to JNF's Lavi and Tzipori youth camps.

JNF has also mobilized to repair roads damaged by the rocket attacks and is launching a \$1 million emergency fund-raising campaign to pay for the effort.

There was no criticism of Galilee residents who left the area as there had been of Tel Aviv

residents who fled the city during the Persian Gulf War, when Iraqi Scud missiles were being fired at Israel.

Across the border in Lebanon, thousands of residents heeded warnings broadcast by the Israeli-allied South Lebanon Army to leave villages housing Hezbollah bases to avoid being hit by Israel Defense Force and SLA shelling.

In Israel, the continuing clashes brought back fears of the Lebanon War, regarded as a tragic mistake by many Israelis.

When the Cabinet met Sunday morning to approve the operation, Yossi Sarid from the dovish Meretz bloc was the only minister opposing the strikes, using the same arguments he had made to oppose the 1982 invasion of Lebanon.

By Sunday night, when the Cabinet met again to approve further strikes, Meretz' four ministers voted against continuing the operation, and three dovish Labor Party ministers abstained.

Meretz's Knesset faction caucus issued a statement endorsing the vote of the party's ministers, but at the same time said "it supported the need to ensure security for the northern population of Israel."

The Knesset members also said they hoped the government "would do everything possible to avoid expansion of the fighting," a diplomatically worded statement expressing concern that Israel might be forced to send in infantry troops.

(Contributing to this report was JTA correspondent Hugh Orgel in Tel Aviv.)

**ISRAEL SAYS ATTACKS IN LEBANON
SHOULD NOT AFFECT PEACE PROCESS**

By David Landau

JERUSALEM, July 26 (JTA) -- Israel has launched a multipronged diplomatic effort to assure friend and foe alike that its stepped-up military activities in Lebanon will not imperil the Middle East peace process.

Despite concern that the Israeli air strikes in Lebanon that began Sunday might interfere with U.S. Secretary of State Warren Christopher's planned visit next week to the Middle East, the State Department said Monday in Washington that Christopher's schedule had not been changed.

While the United States has called on all sides to show the maximum restraint in the Lebanon flare-up, the Clinton administration has not specifically asked Israel to halt the raids, according to Israel's ambassador to Washington, Itamar Rabinovich.

Speaking in Singapore, Christopher criticized the Islamic fundamentalist Hezbollah for trying to sabotage the peace process and urged a continuation of the peace negotiations.

"The only antidote, the only real answer to this kind of violence is to make progress in the peace process and to bring to that region the kind of tranquility and peace that has so long been missing," Christopher said.

The secretary is scheduled to begin his tour in Cairo on July 30, aiming to close the gaps between Israelis and Palestinians on a proposed joint declaration of principles, and between Israelis and Syrians over land-for-peace negotiations on the Golan Heights.

After the air raids in Lebanon, Syria accused

Israel of seeking to drag it into a confrontation and thereby undermine the peace process.

But the Israeli military intelligence commander, Brig. Gen. Uri Saguy, pointedly stated that Syria's deployments in Lebanon's Bekaa Valley remained unchanged despite the deaths of several Syrian soldiers during the air attacks.

U.N. Holding Consultations

Rabinovich said Monday that the Israel Defense Force action ought to prove conclusively to Syrians and others that Israel could not be "persuaded" to soften its negotiating stance in the peace talks by an upsurge of terrorism along its northern border.

If that was the Syrian thinking, then "Operation Accountability," as the latest military action has been dubbed by Israel, should dispel those thoughts, Rabinovich said on Israel's army radio.

Palestinian reaction to the attacks was negative but low-key considering the fact that the Israeli strikes were on Palestinian as well as Hezbollah targets.

Hanan Ashrawi, spokeswoman for the Palestinian delegation to the peace talks, condemned the Israeli actions in Lebanon as a blow to the peace process.

Foreign Minister Shimon Peres, postponing a trip to France scheduled for Monday and Tuesday, told the international diplomatic corps that Israel had acted with notable restraint in Lebanon prior to this week's fighting, despite repeated and costly provocations by Hezbollah.

Peres asked friendly governments to exert any influence they have with Syria and other parties to "bring an end to the attacks by Hezbollah and other terrorist groups in Lebanon against Israel."

Peres insisted that Israel's action is grounded in Article 51 of the United Nations Charter -- the article enshrining the principle of national self-defense.

At the United Nations, members of the Security Council scheduled informal consultations late Monday to discuss the situation in Lebanon.

(Contributing to this report were JTA correspondents Deborah Kalb in Washington and Larry Yudelson at the United Nations.)

ETHIOPIA EXPELS NINE AMERICAN JEWS FOR TRYING TO CONVERT FALASH MORA By Larry Yudelson

NEW YORK, July 26 (JTA) -- Nine American Jews were expelled from Ethiopia last week after being accused of proselytizing and working without permits.

The group, including eight volunteers and one staff member of the North American Conference on Ethiopian Jewry, were leading classes in basic Judaism for a group of refugees hoping to emigrate and settle in Israel.

"Four men showed up at dinner Wednesday night," recounted Alison Feit, one of the volunteers deported from the Ethiopian capital of Addis Ababa. "They said, 'You have 30 minutes to pack your bags. You're being arrested and deported.'"

Feit, a student at Yale University, had been in Ethiopia just over two weeks.

The aborted classes had been requested by the Falash Mora, Christians of Jewish descent who have left their homes for the capital, where they are waiting by the thousands to emigrate.

A specially appointed Israeli ministerial committee decided earlier this year to admit only

those Falash Mora who have immediate family in Israel, but not as Jews. Those able to prove their Jewish descent on a case-by-case basis will be admitted under Israel's Law of Return, which guarantees citizenship for Jewish immigrants.

The Ethiopian government, while amenable to emigration, is adamantly opposed to any proselytization. This reflects both the position of the Ethiopian Church and the fact that Ethiopian Christians with some Jewish ancestry number in the hundreds of thousands.

The number of actual Falash Mora, whose ancestors converted in the past century, is smaller, perhaps 30,000.

Some 2,800 Falash Mora are living in Addis Ababa, where they receive humanitarian aid from the American Jewish Joint Distribution Committee. That aid continues, despite the deportations.

Among those deported was Andy Goldman, who directed NACOEJ activities in Ethiopia. At least for the moment, those other activities, including an employment workshop and a school, continue.

A Tacit Green Light From Israel?

Until the arrival of Feit and her fellow volunteers, there had been no Jewish studies taught in the school.

Such classes, for children and adults, are "something the Falash Mora have been asking for, for a long time now," said Barbara Ribakove Gordon, executive director of NACOEJ.

Among the reasons for not giving those classes until now, she admitted, was "some concern that the Ethiopian government might be concerned about it."

The volunteers were teaching under the direction of Rabbi Menahem Waldman, who has worked extensively with the Falash Mora on behalf of Israel's Chief Rabbinate, and who was sent to determine for the rabbinate the authenticity of their claim of being Jewish.

Waldman left Ethiopia last week, prior to the deportations. Upon his return to Israel, he began declaring that he has determined the Falash Mora are Jewish.

But that is a determination the Israeli government apparently is not bound to accept and to which it has not yet officially responded.

Waldman's decision could have an impact on an expected ruling from Israel's High Court of Justice on a case about the status of the Falash Mora.

Some Falash Mora advocates here say privately that the Israeli government has a vested interest in "making the issue go away" and therefore was served by last week's expulsions.

The NACOEJ workers have been the lifeline for the few thousand refugees waiting in Addis Ababa, said one source. And as long as the compound where they are waiting is active, it is a "fact on the ground" and an issue that is "impossible to sweep under the rug."

These advocates believe Israel was consulted by the Ethiopian government before the expulsions and sent a signal that it would not object.

But a spokesman for Israel's Immigrant Absorption Ministry denied responsibility. "Israel had nothing to do with the expulsions and did nothing to encourage them," he said.

The U.S. government, meanwhile, reportedly has lodged strong protests with the Ethiopian government about the expulsions.

(Contributing to this report was JTA correspondent Cynthia Mann in Jerusalem.)

JEWS AMONG TARGETS OF CLINTON LOBBYING BLITZ ON BUDGET BILL

By Deborah Kalb

WASHINGTON, July 26 (JTA) -- With President Clinton's economic plan now before a House-Senate conference committee, the White House has been engaging in a high-energy media blitz, including conference calls with the Jewish and other ethnic press, to sell the package to the American public.

Most Jewish groups support the majority of the proposals in Clinton's deficit reduction plan, announced in his State of the Union address last February.

But Clinton's plan only squeaked by in both chambers of Congress, and the president, who promised to focus "like a laser beam" on the economy, needs a victory on this issue as the House-Senate conferees try to hammer out a reconciliation package.

High-level administration officials, including the president, Vice President Al Gore, Treasury Secretary Lloyd Bentsen, White House Counselor David Gergen and National Economic Council Chairman Robert Rubin, have been briefing selected groups of reporters on the Clinton budget package.

The overall message, as expressed by Rubin in a July 22 briefing that was part of an all-day session for New York and New Jersey media, is that the country is at an "economic crossroads," and there will be "horrendous consequences" if the bill is not adopted.

The House version of the bill is viewed as more liberal than the Senate version.

And one Jewish organization, the American Jewish Congress, has written a letter to Senate Finance Committee Chairman Daniel Patrick Moynihan (D-N.Y.) urging that the conference committee adopt the House version of a number of social programs.

No Specifics On Refugee Funding

AJCongress President Robert Lifton wrote to Moynihan explaining that AJCongress supports the higher funding found in the House bill for the earned income tax credit for the working poor, for childhood hunger relief provisions and for childhood immunization programs.

The American Jewish Committee is also sending letters to House and Senate conferees backing certain social provisions found in the House version of the bill.

In a July 21 conference call with representatives of the Jewish media, Rubin was not specific about which funding levels the president would find acceptable. But he said Clinton was "very sympathetic" to the whole set of social service programs, and sought to maintain adequate funding for them.

He also would not offer specifics on funding for refugee programs, another issue of concern to Jewish groups.

Clinton, for his part, told the New York and New Jersey area reporters last Thursday that both the House and Senate versions "dramatically increase the earned income tax credit."

Rubin said that the White House was engaging in its media outreach campaign because "our opponents have been more effective in defining" the economic plan in recent months.

While the plan received popular support when it was announced in February, he said, reaction to it has changed since then.

U.S. MOVE TO TAKE FEWER REFUGEES FROM BOSNIA RAISES FEW OBJECTIONS

By Deborah Kalb and Lisa Mann

WASHINGTON, July 26 (JTA) -- Although the American Jewish community has been pushing the Clinton administration to do more to end the unrest in Bosnia-Herzegovina, a recent State Department decision to cut the number of refugees admitted to the United States from the former Yugoslav republic has not elicited much of a response from Jewish groups.

The administration recently decided to cut from 3,500 to 2,500 the number of refugee slots available to Bosnians and other Eastern Europeans, citing a lack of interest on the part of would-be refugees.

The majority of the Eastern European slots have been going to Bosnians, the State Department said. As of this week, only 800 refugees had taken advantage of the program.

A small group of Jewish organizational officials spent a day last week lobbying administration officials and members of Congress to do more to help Bosnia, just as Secretary of State Warren Christopher was announcing that the United States was doing all that it could for the country's Muslim population, which has come under increasing attack from Serbian forces.

Abraham Bayer, director of international concerns for the National Jewish Community Relations Advisory Council, said the issue of the refugee slots had not come up in the course of the meetings last week.

"The Bosnians aren't pressing for it," he said, adding that the Bosnian people do not want to leave their country, and any efforts to encourage them to do so would further the Serbians' "ethnic cleansing" campaign, which is aimed at driving the Muslims out.

More Refugees From Former USSR

But others say the reason more Bosnian refugees have not come here is that U.N. officials responsible for processing them are preoccupied with more urgent humanitarian concerns.

"There's something inadequate about the current screening process" in the former Yugoslavia, said Martin Wenick, executive vice president of the Hebrew Immigrant Aid Society, which helps resettle refugees.

Wenick said that while he is pleased the transfer of the State Department slots will allow 1,000 more refugees from the republics of the former Soviet Union to come here, he believes the slots could have been used for Bosnians.

The situation in Bosnia has worsened in recent days, with the capital, Sarajevo, under siege from Serbian forces.

The United States has been providing humanitarian assistance, has supported the concept of a war crimes tribunal and has backed sanctions against Serbia.

But the Jewish organizations, which see echoes of the Holocaust in the Serbian "ethnic cleansing" campaign, want the United States to support lifting the arms embargo in Bosnia and using military force if necessary.

Bayer said the meetings, held last Thursday, were both depressing and exhilarating. He said he was concerned about the administration's lack of response, but was pleased that Sen. Joseph Biden (D-Del.) agreed to talk with the group.

"The reason we came was to keep the pressure up, and I'm glad we did," Bayer said.

**BEHIND THE HEADLINES:
DINITZ CONTROVERSY HIGHLIGHTS
THE DUAL NATURE OF JEWISH AGENCY**
By Larry Yudelson

NEW YORK (JTA) -- The controversy now swirling around Simcha Dinitz has served to highlight the tensions inherent in the hybrid organization he chairs, the Jewish Agency for Israel.

The Jewish Agency is the largest single recipient of American Jewish philanthropy.

It is also the embodiment of political Zionism, the Diaspora community's link to the nation-building enterprises largely undertaken now by the Israeli government.

Depending on one's perspective, Simcha Dinitz is either a Jewish organizational professional, accountable to one set of standards, or an Israeli politician, answerable to a very different set.

The Dinitz affair started with reports last winter that he misused the Jewish Agency's credit cards. Dinitz has admitted making personal purchases on the cards and not repaying \$13,793 worth of charges until the bills were brought to his attention in December 1992.

Last week Dinitz was questioned by Israeli police, who are investigating whether any criminal laws were violated.

He has heatedly denied that anything other than an oversight was involved.

Dinitz and his supporters in both Israel and the United States have argued that a man is innocent until proven guilty.

They noted the findings of the Jewish Agency legal adviser that there was no wrongful intent in Dinitz's failing to reimburse the agency for personal expenditures on the agency credit card.

Unless the ongoing police investigation determines that Dinitz has indeed broken the law, there should be no consideration of his leaving the post, these supporters say.

"The Israelis have a policy, that when there's an investigation, whether of a government person or a semi-official individual, the person serves until the investigation is completed and there is some adjudication," said Seymour Reich, president of the American Zionist Movement.

"If the Israeli process permits an individual to serve, then Simcha should not be maligned or dumped on, and the American leaders should respect the Israeli system."

Deri Still In Office

Israeli Interior Minister Aryeh Deri of the Shas party has long been at the center of a growing scandal. But even the prospect of imminent indictment on corruption charges has not led him to resign his post.

But in fact, the Israeli and American systems may not be all that different.

In America, William Sessions refused loud public calls to step down as director of the Federal Bureau of Investigation in the face of charges that he had abused the privileges of his office. He was finally fired by President Clinton.

And in Israel, both Police Minister Moshe Shahal and the Ma'ariv newspaper have called for Dinitz to step down.

But there is a clear difference in how the Jewish Agency, and Simcha Dinitz's position, appear from the Israeli and American perspectives.

In Israel, the Jewish Agency is considered a quasi-governmental body. Its salaries are pegged

to those of Cabinet officials, its actions are coordinated with the state, and its leaders come from the ranks of the Israeli political parties in proportion to their strength in the World Zionist Congress.

Dinitz is a former ambassador to Washington and member of Knesset.

But for most American Jews, who are collectively expected to contribute more than half of the Jewish Agency's \$511 million 1993 budget, the politics is irrelevant.

Their main concern is that their money be spent wisely and prudently.

As far as those directly supervising the transfer of money are concerned, Simcha Dinitz is simply the head of a beneficiary agency.

And the standard in American Jewish life is that if someone in such a position is discovered in a position of impropriety, he leaves -- quietly, quickly and with a generous severance package.

'We'd Be Gone By The Afternoon'

"If we had been charging stuff on the company credit card for five years, and suddenly it was discovered we hadn't been paying it off, we'd be gone by the afternoon," said one federation director, expressing a common sentiment.

"There are literally dozens of examples of federation staff, or rabbis, or cantors, who have resigned. And therefore there hasn't been any acknowledgement that there's been a problem," said another professional. "You work out a settlement package, and they're gone."

From this view, innocence is no defense.

The bottom line, said one local federation lay leader, is "we can't afford it. (Dinitz is) clearly guilty of extremely poor judgment, failure to exercise the proper kind of responsibility in overseeing expenditures of the Jewish Agency, and when we're trying to raise money from people on the street, you can't have somebody you lost confidence in at the helm."

Officially, the Jewish Agency's board of governors has named a committee -- composed largely of the leaders of the American fund-raising organizations -- to monitor the effects of the Dinitz scandal on the fund-raising campaign.

The committee will also examine a report scheduled to be prepared by the end of July by Philadelphia Judge Abraham Gafni, a member of the Jewish Agency Assembly, and to reach a decision by the end of August.

Unofficially, those on the fund-raising side say they have received private assurances that Dinitz will be gone by the end of August.

No matter what one's perspective on the Jewish Agency, however, longtime observers say that Dinitz's fate will ultimately be determined by the vagaries of Israeli politics.

Prime Minister Yitzhak Rabin urged in a statement that Dinitz not be prematurely judged.

The statement, say some observers, underscores the fact that at least so far, the Labor Party has no clear candidate to succeed Dinitz.

Rabin is supporting Dinitz, a Labor Party member, for the sake of the party, "because otherwise Likud would take over" the Jewish Agency, according to one observer.

While the agency bylaws are not clear about succession -- and make no provisions for removing the chairman of the Executive -- it appears that pending the election of a new chairman, the highest-ranking agency post is that of treasurer.

The treasurer slot is currently filled by a Likudnik, Hanan Ben Yehudah.