

**BEILIN'S REMARKS ON JEWS' 'CHARITY'  
RAISE HACKLES IN ISRAEL AND DIASPORA**  
By Cynthia Mann

JERUSALEM, Jan. 19 (JTA) -- Deputy Foreign Minister Yossi Beilin, known for his penchant for provocation, has set off a firestorm of protest by saying Israel has a strong economy and does not need Diaspora charity.

"If our economic situation is better than in many of your countries," Beilin told an international meeting of Zionist women, "how can we go on asking for your charity?"

Beilin's remarks, which followed a speech to the Women's International Zionist Organization, were reported by the Associated Press and prompted loud protest from the delegates.

According to press reports, Beilin subsequently was taken to task by Prime Minister Yitzhak Rabin, who defended the role of Diaspora Jewish organizations and their appeals for Israel.

Meanwhile, members of the World Zionist Organization's Executive sharply criticized Beilin's remarks at a meeting Monday, warning they could harm fund-raising campaigns for Israel.

"The greatest mistake that Israel can make is to separate Diaspora Jewry from the State of Israel and to callously stop the contribution of Diaspora Jewry to the ingathering of the exiles and the building of the State of Israel," Simcha Dinitz, chairman of the Jewish Agency and World Zionist Organization, said in a statement released after the meeting.

"Whoever proposes disturbing the partnership between Israel and the Diaspora does not understand the essence of Zionism, that Israel is not just the country of the Israelis, it is the homeland of the entire Jewish people," Dinitz said.

Beilin reiterated his point in a meeting Tuesday of the Knesset's Immigration and Absorption Committee, where he added that the Jewish Agency is an anachronistic body, according to a report in Ha'aretz.

Jewish Agency officials again rebutted Beilin during the hearing.

**'Wants A Debate And Dialogue'**

Those close to Beilin insist that he said nothing new. They say he was merely speaking of the need to redefine the Israel-Diaspora relationship and has been doing so for a long time.

"But the (WIZO) ladies began to yell at him and didn't want to listen to his message," said a source in Beilin's office who declined to be identified. "There was no dialogue."

Beilin's message, the source said, is that the peace process is beginning to allow Israelis the "luxury" of turning away from all-consuming security matters to raise important cultural and social questions that have been neglected.

"We have to rethink the organization of institutions, whether it's the Histadrut (trade federation), Kupat Holim (health system) or the Jewish Agency, which began in 1929," he said.

"In 1994, it (the Jewish Agency) should address and redefine its function and objective," the source said.

What concerns Beilin "is the continuity of Jewish life," he said. Beilin wants to shift some of the focus from charity for Israel to investing

in the education of Diaspora Jews, for which "entities like the United Jewish Appeal are instrumental."

"That it may be time to change the structure of the UJA is Yossi's point of view, not a fixed policy," the source stressed.

Above all, "he wants debate and dialogue," he said, noting that Beilin just "puts the questions on the table."

Menachem Revivi, director-general of the UJA in Israel, said he thought Beilin's statement was "very provocative" and not very helpful.

"It comes with good intentions" of modernizing long-held traditions, he said, but it also reflects a failure to understand what the philanthropy represents for Diaspora Jews.

"It represents their wish to be connected, to be responsible, to be partners in what is theirs as much as ours," he said.

Revivi said he would welcome the Israeli government taking the initiative to say to the Diaspora that, "after 45 years, we are in a situation where we can rewrite the covenant and set a new agenda for the Jewish people and divide the labor" between Israel and the Diaspora.

But "we do need world Jewry, as much now as in the past," he emphasized. "We are a Jewish state and they are our best allies, as much in peacetime as in war."

**INMAN'S ISRAEL RECORD EXAMINED  
AFTER TURNING DOWN DEFENSE POST**  
By Deborah Kalb

WASHINGTON, Jan. 19 (JTA) -- Bobby Ray Inman's views about Israel have come under sharp scrutiny here following his surprise withdrawal this week as President Clinton's nominee for defense secretary.

At an extraordinary news conference Tuesday, Inman, a retired admiral, withdrew his name from consideration even before any Senate confirmation hearings were held.

Among the reasons Inman gave for pulling out was what he called a "new McCarthyism" in the news media, including columns by New York Times columnist William Safire.

"In ultimately reaching my decision that I'm simply not prepared to pay the current cost of public service in distortion of my record, I want to dwell briefly on my past experience and history with Mr. Safire," Inman told the reporters gathered in Austin, Texas.

Inman specifically referred to one column Safire wrote that appeared in the Times on Dec. 23, a week after his nomination.

In the column, Safire charged Inman with having an "anti-Israel bias," and attacked Inman for various actions relating to Israel during the early 1980s, when Inman served as a top CIA official in the Reagan administration.

Overall, Safire concluded in the column that Inman was a failure as an executive and as a judge of character. He also called him a "cheat" when it came to paying taxes -- a reference to Inman's failure to pay Social Security taxes for household help.

At his news conference, Inman said that he and Safire had clashed over a 1981 Inman decision to limit U.S. sharing of satellite technology with

Israel, following Israel's attack on Iraq's nuclear reactor.

"I made the decision," Inman said, "to limit the process, to say that in the future they (Israel) could draw material within 250 miles of the border, but beyond that, they would have to ask."

#### **False Story About Israel**

Safire, for his part, charged in his Dec. 23 column that during his CIA days, Inman had planted a false story with reporters that Israel was trying to provoke an American attack on Libya, and that Inman was angry when Safire reported on the alleged deception.

"He was displeased at having his cover blown and anti-Israel bias shown," Safire wrote.

"Inman's animus also later contributed to the excessive sentencing of Jonathan Pollard," the columnist charged.

Inman said Tuesday that the Dec. 23 column "agitated" him because of "its unfairness."

He also cited "reports" that Safire was working in collusion with Senate Minority Leader Robert Dole (R-Kan.) to bring Inman down.

"There were reports, which both will probably deny, that there was a trade between Mr. Safire and Senator Dole, that if Senator Dole would turn up the heat on my nomination that Safire would turn up the heat on Whitewater Development," Inman said.

President Clinton's connections to the controversial Whitewater Development Co. are about to be investigated by a special counsel.

Later Tuesday, Dole denied those charges, and a New York Times piece Wednesday said that Safire also denied the charges.

Another New York Times columnist, A.M. Rosenthal, who was formerly the paper's executive editor, said Wednesday in an interview with the Jewish Telegraphic Agency that the charges of collusion were "the height of ridiculousness."

"The whole thing is absolutely ridiculous," Rosenthal said of the Inman episode, "that a man who wanted to be secretary of defense would leave because of a column or two.

"It seems to me he was never psychologically fit for the job," Rosenthal said. "It was a tough piece, but if he can't handle that, he can't handle tougher problems."

#### **ISRAEL SAYS IRAN-CONTRA REPORT WRONGLY BLAMES IT FOR ARMS SALES**

By Deborah Kalb

WASHINGTON, Jan. 19 (JTA) -- The Israeli government has again denied responsibility for the secret sale of arms to Iran during the Reagan administration that later mushroomed into the Iran-Contra scandal.

The denial came in material accompanying the long-awaited final report on the scandal, which was released here Tuesday by independent counsel Lawrence Walsh. A 1,150-page document accompanying the report includes various Israeli government officials' comments on the scandal.

In their 33 pages of comments, the Israelis criticize sections of the report for giving what they describe as an erroneous portrayal of certain aspects of the Iran-Contra affair relating to Israeli participation and cooperation.

The officials commenting include Foreign Minister Shimon Peres, who was prime minister at the time of the Iran arms sales, and Prime Minister Yitzhak Rabin, who was defense minister then.

The Israelis say the report could leave the

erroneous impression that Israel, not the United States, initiated the sales of arms to Iran.

"The Final Report's treatment of important facts appears to have created a significant distortion, shifting the responsibility for the Iran initiative from the USG (U.S. government) and, in particular, certain USG officials, to the GOI (government of Israel) and its officials," the Israelis wrote.

But it is not clear, in fact, whether the final version of the report actually contains such charges.

The Israelis acknowledge that they did not receive copies of the entire document and that their comments are based on "only a limited glimpse of the report."

"Many of the excerpts of the Final Report reviewed by counsel to the GOI and reported to the GOI officials who investigated these events or were involved in them are neither accurate nor credible," the Israelis wrote.

The Israelis also criticize the report for failing to praise them sufficiently for their cooperation in the investigation of the Iran-Contra affair.

An Israeli Embassy official here said the Israeli government would now be studying the full report.

"The full report is being conveyed to Jerusalem, where it will be studied, and then they will decide whether there will be any comments," the official said.

#### **ISRAEL AND THE VATICAN APPOINT ENVOYS TO LAUNCH DIPLOMATIC TIES** By Ruth E. Gruber

ROME, Jan. 19 (JTA) -- Three weeks after the signing of their mutual recognition agreement, Israel and the Vatican have announced the names of the envoys who will be representing the two states in their first diplomatic ties.

On Wednesday, Israel named a veteran diplomat, Shmuel Hadas, to represent the Jewish state in the Vatican.

The same day, Pope John Paul II named Archbishop Andrea di Montezemolo as the Vatican's first envoy to Israel.

He will have the title of special representative pending a full exchange of ambassadors, a move expected to occur within a few months.

Montezemolo, 68, has considerable experience in the Middle East. He currently serves as the Holy See's apostolic delegate to Jerusalem and as the apostolic nuncio to Cyprus.

On Dec. 30, Israel and the Vatican signed their historic agreement, opening the way to the establishment of full diplomatic relations.

There had been reports that the Vatican had objected to the possible appointment of a rabbi to serve as Israel's first representative to the Holy See.

Reports had surfaced recently in the Italian, American and Israeli media that the Vatican was blocking the appointment of Rabbi David Rosen as Israeli ambassador.

The British-born Rosen, who was formerly the chief rabbi of Ireland, is the Jerusalem-based director of interfaith relations for the Anti-Defamation League.

Rosen was a key negotiator in the talks leading up to the Israeli-Vatican agreement.

Montezemolo had said openly that the first Israeli ambassador to the Holy See should be a career diplomat.

## PLO OFFERS ISRAEL NEW PROPOSAL ON CONTROL OF BORDER CROSSINGS

By David Landau

JERUSALEM, Jan. 19 (JTA) -- While the spotlight shone this week on the Clinton-Assad talks in Geneva and their ramifications on the scheduled resumption of talks between Israel and Syria, negotiations between Israel and the Palestine Liberation Organization resumed Tuesday in the Sinai border town of Taba.

A possible break in the stalemated talks came Wednesday evening, when chief PLO negotiator Nabil Sha'ath submitted a new proposal on the thorniest issue confronting the two sides: who will control the border crossings between the West Bank town of Jericho and Jordan and between the Gaza Strip and Egypt.

The deadlock in the talks appeared to be of little concern to Foreign Minister Shimon Peres, who presumably believes the Palestinians have more to lose than the Israelis if implementation of the self-rule accord suffers further delays.

"If it takes a little more time -- even months -- we can hold on," Peres said Wednesday in a speech to members of the Labor Party.

Implementation of the self-rule accord was scheduled to begin on Dec. 13, but the date came and went when negotiators were unable to agree on how to resolve security issues facing them.

Sha'ath's proposal represents the first sign of movement in what has become a veritable holding pattern in the talks over the crossing-points question.

Following the submission of Sha'ath's proposal, the Israeli delegation, led by Israel Defense Force Deputy Chief of Staff Amnon Shahak, immediately adjourned for consultations and new instructions from Jerusalem.

### Peres Will Meet Arafat In Oslo

The talks at Taba resumed Tuesday after a break. The two sides were reportedly close to agreeing about transferring civilian powers and authority to the Palestinians in Gaza and Jericho.

But the two sides were still divided over issues of security -- particularly the question of the crossing points -- which have held up implementation of the self-rule accord.

Other issues still to be worked out include the size of the Jericho area that will fall under Palestinian authority and security arrangements for Jewish settlers in Gaza and Jericho.

"Whoever thinks the subjects of the crossings is the only one in which there is a difference between our position and the Palestinians' is, in my opinion, wrong," Shahak told Israel Radio on Wednesday.

"We will get to other subjects that we have to agree upon, and our positions at this moment are not that close," he said.

Palestinian sources told reporters at Taba that the new Palestinian proposals take account of understandings reached at high-level meetings in Europe and Cairo at the end of last month.

But no specific details of the proposals were divulged while the two sides were engaged in consultations with their respective leaders.

Diplomatic observers say a breakthrough, or at least a vigorous boost to the Taba talks, could well come as the result of a meeting scheduled to take place in Oslo this weekend between Peres and PLO Chairman Yasser Arafat.

The two men will be in the Norwegian capital to attend the funeral of Norwegian For-

eign Minister Johan Holst, who died last week following a stroke.

Holst was responsible for organizing at least 13 rounds of secret talks in Oslo between Israel and the PLO last year during which the two sides hammered out a mutual recognition pact and the Palestinian self-rule accord.

U.S. Secretary of State Warren Christopher is also expected to attend Saturday's funeral and is expected to meet with Peres and Arafat.

## CLINTON PERMITTING ISRAELI FIRMS TO COMPETE FOR U.S. SPACE CONTRACTS

By Hugh Orgel

TEL AVIV, Jan. 19 (JTA) -- The American government has agreed to allow Israel to export satellite and other space technology to the United States, thereby giving Israeli firms a chance to bid for lucrative contracts.

President Clinton informed Israeli Prime Minister Yitzhak Rabin of the decision this week in a letter hand-delivered by Dennis Ross, the State Department's coordinator for the Middle East peace talks.

"I am happy to inform you of my decision to allow Israel to participate in civilian projects, such as satellite launchings, through exporting Israeli technologies to the U.S.," Clinton wrote.

The president's assurance adds to an evolving U.S.-Israeli commitment to advance high technology in both countries.

On Tuesday, the United States and Israel signed an agreement to establish a joint science and technology commission, whose purpose is to create high-tech jobs in both countries. The commission fulfills a promise Clinton made when he met with Rabin in March 1993.

The accord was signed by U.S. Commerce Secretary Ron Brown, Israeli Prime Minister Yitzhak Rabin and Israel's industry and trade minister, Micha Harish.

Though Clinton wrote in his letter to Rabin of civilian projects, Israeli industries regard the technologies to be of dual use, to be applied to military as well as civilian needs.

"When we met in November, I reaffirmed our commitment to maintain and strengthen Israel's qualitative edge, and thus assure that risks taken for peace are minimized," Clinton wrote.

Israeli officials say Clinton's decision will enable firms such as Rafael, which is the Israeli government's Weapons Development Authority, Israel Aircraft Industries and Israel Military Industries to compete in the U.S. market.

The decision means that the Israeli-designed and manufactured Shavit missile, which has already successfully launched the Ofek-1 and Ofek-2 satellites, can now compete for bids to launch civilian satellites in the United States.

Moshe Keret, director-general of Israel Aircraft Industries, said Tuesday, "The moment we have the permits in our hands we'll start looking for partners in America to do business."

Until now, the Americans have launched their satellites from American-made missiles or space shuttles.

Israel will not be alone in competing to participate in U.S. space endeavors. Other countries, such as Russia and China, have begun offering their missile-launch services as well.

Since 1988, IAI has been trying to compete for U.S. space contracts, but the State Department has so far refused to grant import licenses on political grounds.

**BEHIND THE HEADLINES:  
JEWS LOOK FORWARD TO AGENDA  
OF NEW CONGRESSIONAL SESSION**  
By Deborah Kalb

WASHINGTON (JTA) -- With reform of foreign aid and health care topping the agenda, Jewish groups are looking ahead to an issue-laden congressional session beginning Jan. 25.

Jewish leaders gave high marks to last year's productive first session of the 103rd Congress, which saw the passage of many domestic bills near and dear to the Jewish community and resulted in continuing support for Israel's annual \$3 billion in U.S. aid.

They expect this second session to focus on new legislation as well as wrap up some unfinished business from the previous session.

In general, "the second session is busier than the first" because the first session contains a lot of "stage-setting," said Mark Pelavin, Washington representative for the American Jewish Congress.

One of the biggest triumphs for the Jewish community last year was the passage of a major religious freedom bill that makes it harder for the government to infringe on religious practices.

The Religious Freedom Restoration Act, signed into law by President Clinton last fall, was strongly backed by a coalition of Jewish and other religious groups.

This year, many of the same groups are "building on the landmark legislation of last session," said Jess Hordes, Washington representative of the Anti-Defamation League.

The groups are now backing legislation, expected to be introduced soon by Rep. Jerrold Nadler (D-N.Y.), that would take the religious freedom battle to the workplace and provide greater protection for employees making religious claims.

This "religious accommodation" legislation would have an impact on religious minorities seeking to observe certain holidays or wear certain clothing at work for religious reasons.

The ADL is also expecting Nadler to introduce additional legislation that would broaden the remedies available to victims of hate crimes.

**Monitoring Health Care Legislation**

Like other Americans, Jews are focusing on President Clinton's controversial plan to revamp the American health care system, expected to be a major feature of this year's congressional session.

"Health care is going to dominate a lot of key committees" on Capitol Hill, said Sammie Moshenberg, Washington representative for the National Council of Jewish Women, a group currently studying which health care provisions to endorse.

The Jewish community has its own special concerns in this area.

For example, the average age of American Jews is greater than that of the country at large, and thus the community would be heavily affected by certain provisions in the president's health care package, including payment for prescription drugs.

Elaine Senter, national vice president and Washington representative for Hadassah, said one top priority for her group was to push Congress to approve increased funding for research into women's health issues including breast cancer.

And fervently Orthodox Jews, who tend to

have large families, are concerned about provisions including coverage for infertility programs.

In addition, said Abba Cohen, Washington representative for the fervently Orthodox organization Agudath Israel, questions surrounding funding and possible rationing of health care are raising concerns in the Orthodox community.

"There are very sticky moral, ethical and religious questions" revolving around the issue of "whose life is worth saving," said Cohen.

Another proposed reform causing a stir in the Jewish community is the president's plan to revamp foreign aid based on broad foreign policy goals rather than specific areas of the world. Congress is to consider the plan this year.

There are "some concerns about the direction it takes," said Warren Eisenberg, director of B'nai B'rith's International Council.

This concern in the Jewish community exists despite clear signals from the administration that it wants to maintain Israel's aid level at its current \$3 billion a year. Israel is the largest recipient of U.S. foreign aid.

Last year, many in the Jewish community were worried that in a tight budget climate, the perennially unpopular issue of foreign aid would fare badly in Congress.

Jewish groups, including the American Israel Public Affairs Committee, worked hard to ensure a favorable outcome for Israel, and plan to do the same this time around.

"Foreign aid is never a popular issue," said AIPAC President Steve Grossman. But he also said he thought "Congress wants to support Israel at a time when Israel is taking risks" for peace in its negotiations with the Arabs.

**Arguing For More Foreign Aid**

The Religious Action Center of Reform Judaism said it plans to mount an effort this year to gather various ethnic and other groups into a coalition that would argue for a larger foreign aid budget.

"This will be our RFRA for the next couple of years," said Religious Action Center head Rabbi David Saperstein, referring to the coalition that successfully joined together to back the Religious Freedom Restoration Act.

Saperstein said that without an expansion, the foreign aid budget would not be adequate to support both aid to Israel and various humanitarian and development goals supported by the administration.

Jewish groups are also keeping an eye on Congressional efforts to end the Arab economic boycott of Israel, and on waivers approved by Congress that would allow increased contacts between the United States and the Palestine Liberation Organization.

Immigration reform is another pending issue sparking discussion in the Jewish community.

Richard Foltin, legislative director for the American Jewish Committee, said that his group felt some proposed changes to the current system would pose "undue obstacles" to those who come to the United States, and make it more difficult for them to have their claims heard.

Jewish groups have traditionally been concerned about immigration issues, because of the Jewish immigrant history in this country and continuing concerns over the fate of Jews in the unstable former Soviet Union.

Other legislation of concern to Jewish groups this upcoming session includes bills dealing with crime, terrorism, housing and education.