

**JORDAN AND ISRAEL REPORT MAJOR
BREAKTHROUGH ON ROAD TO PEACE**

By Matthew Dorf

WASHINGTON, June 7 (JTA) -- A broad agreement between Israel and Jordan signed here Tuesday is being hailed widely as a giant step toward normalizing relations between the two states.

Two days of intense discussions here Monday and Tuesday signaled a major policy shift for Jordan, which had been reluctant to pursue bilateral talks with Israel without simultaneous negotiations on the Syrian and Lebanon tracts.

The talks also marked the first time Arab negotiators held official meetings with Israelis since the Feb. 25 Hebron massacre.

"We believe this session has been an important juncture in our pursuit of a just, lasting and comprehensive peace in the Middle East," Jordanian Ambassador Fayiz Tarwana said at a news conference here Tuesday.

"The accomplishment of this session has surpassed expectations," he said.

Israeli chief negotiator Eli Rubinstein said of the talks: "We are glad that yet another step in the road for peace has been taken.

"It's a long road," he said, adding, "It's still a long road because all the topics that have been discussed here need deliberation, negotiation and finalization."

"This is not a dramatic step," Rubinstein continued. "It's a fruit of a long, arduous effort by both sides. The achievements this time were beyond the 'normal expectations.'"

The officials met for two days here for a series of informal talks under a trilateral economic commission, created last October, which included a U.S. delegation.

To Delineate Borders, Talk About Economics

Among the most significant breakthroughs, Israel agreed to delineate borders with Jordan and the parties decided to meet to outline the future of economic relations between the two countries.

For the first time, the officials announced, the two sides decided to move the talks to Israel and Jordan, where beginning next month, officials will work toward a full peace treaty.

Unlike previous agreements with Jordan, this one appears to have inspired confidence among some observers that this one will end the Israeli joke that agreements with Jordan are like holograms: you think they are there but when you go to touch it, there is really nothing.

Last September, for instance, Israel and Jordan signed a much-touted agreement that provided the framework for a future peace treaty. But little progress has been made in the past nine months.

Jordan and Israel were reportedly close to another agreement only weeks before the Hebron massacre in which 30 Muslim worshipers were killed by an Israeli settler.

Recently, however, Jordan's King Hussein has found himself increasingly at odds with the Palestine Liberation Organization leadership since

the signing of the Declaration of Principles with Israel in September.

According to Middle East experts, the competition between Jordan and the PLO for control over the infrastructure in the West Bank during Palestinian interim self-rule fueled the pace of talks between Jordan and Israel.

Hopes for a written agreement were bolstered last weekend when Jordan's King Hussein said the country would "pay attention to its own interests," according to an Associated Press report.

When they convene in Jordan and Israel in July, negotiators will break out into about half a dozen subgroups to hammer out agreements on economic matters, security, boundaries, water and the environment, according to the officials.

Negotiators also plan to discuss master plans for the Jordan Valley.

As the talks proceed in the region, negotiators also will begin discussing plans for a national park spanning the borders of Israel and Jordan, according to officials at the news conference.

Negotiators also agreed to construct a road linking Jordan, Egypt and Israel near Aqaba and Eilat.

NEWS ANALYSIS:**SECRET LETTER ON JERUSALEM SITES
PROMPTS POLITICAL FUROR IN ISRAEL**

By David Landau

JERUSALEM, June 7 (JTA) -- This week's publication of a secret letter from Israel to Norway on the status of Palestinian institutions in Jerusalem sent the Rabin government into convulsions as it desperately sought to staunch the political damage triggered by the affair.

Arguing that critical information was willfully concealed from the Knesset, the right-wing opposition, led by the Likud, demanded Rabin's resignation or, at the very least, a new vote on the entire Israel-Palestine Liberation Organization agreement.

In the media, the episode prompted an unprecedented attack on the government's credibility as commentators underscored the various denials and prevarications about the letter that have emanated from top ministers in recent weeks.

Now that it has been made public, the text of the letter appears less momentous than might have been imagined, according to observers.

However, it comes at a time of acute sensitivity over the Jerusalem issue, with PLO spokesmen from Yasser Arafat on down focusing international attention on the city's status and future.

According to the autonomy agreement, which went into effect for the Gaza Strip and the West Bank city of Jericho last month, Jerusalem is not supposed to be raised until talks on the final status of the territories, slated to begin within two years.

The controversial letter -- whose existence was confirmed for the first time last week -- was sent by Foreign Minister Shimon Peres to Johan Jorgen Holst, the late Norwegian foreign minister

who was instrumental in orchestrating the secret Oslo talks that led to the historic Israeli-PLO accord.

In the letter, dated Oct. 11, 1993, Peres wrote:

"I wish to confirm that the Palestinian institutions of East Jerusalem and the interests and well-being of the Palestinians of East Jerusalem are of great importance and will be preserved.

"Therefore," the letter continued, "all the Palestinian institutions of East Jerusalem, including the economic, social, educational and cultural, and the holy Christian and Moslem places, are performing an essential task for the Palestinian population.

"Needless to say, we will not hamper their activity. On the contrary, the fulfillment of this important mission is to be encouraged," Peres wrote in the letter, the contents of which were clearly intended to be passed onto Arafat.

Explaining the letter in an interview Tuesday, Peres said the text had been "carefully drafted."

The foreign minister said the letter deliberately did not mention the PLO, Arafat or the autonomous self-government, but was intended only to preserve the existing Palestinian institutions in the city.

He said the letter was sent to Holst, rather than Arafat, in an effort to underline the fact that Arafat is not a party to any discussion of Jerusalem.

Peres said the letter was sent in the wake of "a last-minute crisis that threatened the entire agreement" before the Sept. 13 signing of the Declaration of Principles in Washington.

The PLO was balking at Israel's insistence that the declaration specify that Jericho was to be the seat of the Palestinian self-government, he said.

After much argument, the PLO accepted the Israeli condition, but at the same time Arafat demanded assurances regarding Palestinian institutions in East Jerusalem, according to Peres.

'Why Didn't The Likud Jump?'

As a result of that particular negotiation, Peres, nearly a month after the signing, forwarded to Holst the letter, together with passages from a speech Peres had made to the Knesset on Sept. 9.

"Why didn't the Likud jump in the Knesset when I said virtually the same things?" Peres asked Tuesday. "They are just looking to make political capital.

"This letter in fact emphasizes our determination not to countenance any presence of the self-government administration in Jerusalem," Peres said.

This last point is key in the controversy, because ever since the Madrid peace conference in November 1991, the West Bank leadership has been using the Orient House, a stately old building in eastern Jerusalem, as the center of its political and diplomatic activity.

Foreign envoys are received there, negotiating teams confer there, various academic and research organizations function there.

Ariel Sharon, at the time a Likud government minister, bitterly attacked his own prime minister, Yitzhak Shamir, over the situation with

the Orient House which, Sharon asserted, had long-term political ramifications.

Now, with Likud in the opposition, with the Orient House expanding all the time, and with new organs of the Palestinian self-government in formation, the political ramifications that Sharon predicted are becoming increasingly evident.

Unofficial moves by the Israeli authorities to put a lid on Palestinian political activities in the city, and to nudge the nascent Palestinian agencies towards Jericho, triggered angry responses both from the local leadership and from Tunis.

This was the backdrop to Arafat's notorious harangue in a mosque in South Africa last month, when he boasted that he had wrung a secret letter from Israel on the issue of Jerusalem and the holy places as his condition for signing the Gaza-Jericho agreement in Cairo May 4.

Arafat's outburst -- in which he also called for a "jihad" for the liberation of Jerusalem -- led to repeated questions about the mysterious letter until public pressure forced Peres to publish the full text this week.

Peres continued to insist this week that his and Prime Minister Yitzhak Rabin's earlier denials were "all still valid."

There had never been a letter to Arafat; rather it was to Holst; it was not linked to the Cairo Agreement for it had been sent nearly seven months earlier; and it did not make concessions to the PLO beyond the extant situation on the ground in Jerusalem.

On the most literal and technical level, these assertions are correct.

Sensing The Political Mileage

It remains to be seen, however, whether Israeli public opinion will buy them.

The opposition -- both the parliamentary parties and the settlers' movement -- seem to sense the political mileage still untapped in the affair, and are increasingly focusing their anti-government campaigns on the issue of Jerusalem.

The opposition believes that it is on the question of Jerusalem that public opinion is most united -- and most determined not to make any political concessions.

Peres is trying to distinguish between political matters, on which, he says, "Jerusalem is closed," and religious and social matters, where, he says, there is room for accommodation.

Knesset member Dan Meridor, the former Likud justice minister who, along with fellow Likud Knesset member Benny Begin, is making much of the secret letter affair, swept aside this distinction as specious.

The letter, Meridor noted during a Knesset session on the issue Tuesday, refers specifically to "Palestinian institutions" -- not merely to religious or social institutions.

Amid constant interruptions from the opposition Knesset members, Peres sought to reassure his colleagues on the government position on Jerusalem. Both the government's outlook and its actions, he said, ensure that "Jerusalem shall not be divided.

"Jerusalem will not be the capital of two states, but the capital of the government of Israel only," he said. "It will not become a Berlin, divided by a wall," he said, "It will not become part of the autonomy and the institutions of the autonomy will not (operate) out of Jerusalem."

JEWISH AGENCY MARKS ARRIVAL OF 500,000th SOVIET IMMIGRANT
By Cynthia Mann

JERUSALEM, June 7 (JTA) -- The Jewish Agency for Israel this week marked the arrival of the 500,000th immigrant from the former Soviet Union since the vast immigration began in 1989.

In a small ceremony Monday inside the Agency, the massive immigration was hailed as historic and as changing the face of Israel and the Jewish people.

Speakers touched only obliquely on some of the problems the immigrants are facing in the course of their absorption -- a topic much on the minds of some immigrant advocates, who say the government has failed to prioritize absorption.

As a result, these advocates claim, the government has been unable to attract hundreds of thousands more Jews who remain in the former Soviet Union.

Because the various Israeli agencies responsible for immigration and absorption use different methods to calculate the flow of immigrants, it was impossible to determine with certainty who the half-a-millionth immigrant was.

Instead, a group of immigrants who arrived on the last plane in May was invited to symbolize the milestone number.

According to a recent report by the Central Bureau of Statistics, these recent arrivals from the former Soviet Union currently constitute 10 percent of Israel's population.

The report also broke down the Russian immigrant community by profession: 57,000 were registered upon arrival in Israel as engineers; more than 12,000 as doctors and dentists; 12,000 as artists, composers, writers and journalists; and 12,000 as health-care workers.

More than 50 percent were over the age of 15 at the time of their immigration, and approximately 200,000 said they had at least 13 years of education, according to the report.

Yehiel Leket, acting chairman of the Jewish Agency and World Zionist Organization, opened Monday's gathering by citing the "tremendous and meaningful contribution" to Israel made by the influx of highly educated immigrants, despite problems some encountered in adjusting to Israel.

Will 'Change The Face' Of The Jewish People

The immigration "will change the face of the whole Jewish people," he added. By boosting the number of Jews in Israel, it will help Israel soon become the world's largest Jewish community, he said. As a result, "the message of the centrality of Israel will become one of quantity as well as quality," he said.

Finance Minister Avraham Shohat called the aliyah "one of the most historic events" in Israel's annals, the result of years of hard work.

He said that despite not having all the immigrants working in their original professions, by most measures the absorption is a success.

At the same time, Shohat conceded that the relatively low numbers of recent immigrants from the former Soviet Union are cause for concern.

Projections for immigration from Russia and other former Soviet states for this year stand at 60,000, slightly down from last year, and sharply down from the late 1980s and early 1990s.

Shohat called the immigrants an "asset, not

a burden," saying they have been a springboard for Israel's growth and development.

Uri Gordon, head of immigration and absorption at the Jewish Agency, called for more public recognition of the immigrants' achievements.

About two weeks ago, Gordon gave a briefing to the Israeli Cabinet on the dropping numbers of immigrants from the former Soviet Union and the need to improve absorption.

After the ceremony, he said he knows "there are a lot of problems and a lot of pain" among the immigrants, but that he is confident the picture will improve "because we are very serious about absorption as part of our responsibility as a Jewish state."

At the same time, he said, "the Jews in Russia are not rushing to come out," but have adopted a cautious attitude, partly because they know Israel's gates will remain open to them.

Nonetheless, "We have to continue to push to bring another half a million," he said.

For his part, Natan Sharansky, the most celebrated advocate for the immigrants here, found the ceremony "meaningless," ostensibly because it did not reflect the struggle to make absorption a higher government priority.

"I think everybody has ambivalent feelings," he said. "The real question is whether the half-a-million came because of the (government) efforts or in spite of the lack of efforts."

COMMERCE FINES THREE COMPANIES FOR COMPLYING WITH ARAB BOYCOTT
By Steven Weiss

WASHINGTON, June 7 (JTA) -- The Commerce Department fined three U.S. companies last week for allegedly complying with the Arab economic boycott of Israel.

A total of \$54,000 in fines was levied against SSC Medical Instrumentation, Inc. of Concord, Mass.; the Los Angeles branch of Habib Bank AG Zurich; and World Trade Venture, Inc. of Berkeley Heights, N.J.

The companies each agreed to pay the fines, but they neither admitted nor denied the alleged violations.

The boycott, which has been in effect since before Israel's creation in 1948, takes on three forms. The so-called primary boycott is directed against Israeli goods, while the so-called secondary and tertiary boycotts apply to companies doing business with Israel.

Both the Clinton administration and Congress have recently increased their efforts to end the boycott, which they say is a barrier to peaceful relations between Israel and its Arab neighbors.

A recent Commerce Department report said boycott activity has continued in the past year.

In an announcement released June 1, the department's Bureau of Export Administration said World Trade Venture, Inc., a freight forwarder, agreed to pay \$40,000 in response to allegations that it failed on 20 occasions to report requests for boycott-related information from Kuwait.

Habib Bank AG Zurich agreed to pay \$9,000 in response to allegations it failed to report boycott-related information requested by the United Arab Emirates.

And SSC Medical Instrumentation will pay \$5,000 for allegedly failing four times to report boycott-related requests by unidentified countries.

REFORM GROUP PREPARING ITS FIRST COMPREHENSIVE STATEMENT ON ZIONISM

By Pamela Druckerman

NEW YORK, June 7 (JTA) -- Nearly 100 years after the Central Conference of American Rabbis passed a resolution opposing the establishment of a Jewish state, the Reform rabbinic body has begun work on a platform that would throw theological weight behind the movement's current pro-Zionist stance.

If approved by the CCAR, the platform would be the movement's first comprehensive theological statement on Zionism. It is expected to include statements on the role of the Diaspora, the centrality of Israel and aliyah.

It may also address questions about the biblical covenant, Jewish peoplehood and the significance of the land, attempting to portray commitment to Israel as an integral element of Reform religious life.

Though the Reform movement has for several decades been characterized by ardent support for Israel, some within the movement expect that the platform -- if passed -- would function as the philosophical basis and practical outline for ongoing Zionist efforts.

Rabbi Ammiel Hirsch, who opened discussion on the platform at the CCAR's annual convention in Chicago last week, said the document may also serve as a bridge connecting Diaspora Jewry to the burgeoning Reform movement in Israel, a link which he says is the movement's "big historical test."

Hirsch, executive director of the Association of Reform Zionists of America and chairman of the 12-person committee charged with writing the draft statement, said there is hope that the platform will reinforce links between the Reform movement and Israel.

This hope is based in part on the widely held belief that identification with Israel is one of the strongest guarantors of Jewish continuity, he said.

Others say the statement will address the changing relationship between the Diaspora and Israel, brought about largely by the ongoing peace negotiations between Israel and its neighbors.

'A Very Different Kind Of State'

"A state that is at peace is a very different kind of state," said Rabbi Eric Yoffie, vice president of the Union of American Hebrew Congregations. "The questions we ask in the future will be different questions."

The proposed platform is also part of a larger strategy to solidify the movement's strong philosophical identification with Israel.

Hirsch said the Reform movement is readying for a projected larger Jewish population in Israel in the next century.

The committee to draft the platform is composed of representatives from the CCAR, the UAHC and Hebrew Union College-Jewish Institute of Religion, the Reform movement's seminary. All these groups will have an opportunity to ratify, or otherwise adopt, the platform.

A draft is scheduled to be introduced to the CCAR at its next annual convention, to be held in Jerusalem next March.

A final vote is expected at either the 1996 or 1997 meetings.

If passed, the CCAR platform would mark the virtual 180-degree turnaround in Reform thinking that came about after World War II and the establishment of the State of Israel in 1948.

Until then, while some individual Reform rabbis were committed to the establishment of a Jewish state, the movement as a whole remained determined that Jews could thrive as fully accepted citizens in the Diaspora.

Many charged that attempts to describe Jews as a people with national rights threatened their claims to full citizenship in their countries of residence.

In the Pittsburgh Platform of 1885 adopted by the Reform movement, Jews were described as a moral body without fixed geographic boundaries, whose "great Messianic hope" was the establishment of the "kingdom of truth, justice and peace among all men.

"We consider ourselves no longer a nation but a religious community, and therefore expect neither a return to Palestine, nor a sacrificial worship under the sons of Aaron, nor the restoration of the laws concerning the Jewish state," the platform said.

The Pittsburgh Platform also called for sharp breaks with traditional Jewish rituals, resulting in the diminished use of Hebrew in the synagogue and de-emphasis on holiday and Shabbat rituals.

Backlash from these breaks with tradition led to the CCAR's 1937 adoption of the Columbus Platform, which called for a reinstatement of many religious rituals. It also affirmed a change in attitude toward Jews living in Palestine, describing "the obligation of all Jewry to aid in (Palestine's) upbuilding as a Jewish homeland."

But while the Pittsburgh Platform addressed a possible Jewish state, and subsequent resolutions touched on aspects of Zionism and Israel, the new CCAR proposal, if approved, would be the Reform movement's first attempt to address these issues comprehensively in a platform.

HEZBOLLAH IS SAID TO BE PLANNING ATTACKS ON ISRAELI TARGETS IN GERMANY

By Igal Avidan

BERLIN, June 7 (JTA) -- A German newspaper this week carried a report that the Islamic fundamentalist Hezbollah movement is planning to launch attacks against Israeli targets in Germany to avenge the kidnapping of one of their leaders.

The German weekly Der Spiegel quoted Arab intelligence sources saying international terrorist groups are assisting Hezbollah in this mission.

The newspaper reported that an adviser to the international terrorist known as Carlos has left his hiding place in Iran and gone to Beirut, where with Hezbollah leaders he will create a terror network that will act against Israeli targets in various locations.

As part of the planned reprisals, the Abu Nidal Palestinian terrorist group has smuggled into Germany four activists who arrived from Beirut via Cyprus using false identities, the paper said.

The reported threats follow Israel's abduction of Shi'ite guerrilla leader Mustafa Dirani from eastern Lebanon on May 21. Dirani was taken to Israel in hopes he would shed light on the whereabouts of missing pilot Ron Arad.

Israeli institutions worldwide have stepped up security measures, Der Spiegel reported.