

**HAMAS MILITANTS KILL ISRAELI SOLDIER
IN 'FIRST RETALIATION' FOR GAZA RIOTS**
By Hugh Orgel

TEL AVIV, July 19 (JTA) -- In what was described as retaliation for Israel's handling of Sunday's riots at a Gaza Strip checkpoint, Islamic militants shot and killed an Israeli officer Tuesday near the Rafah border crossing between Gaza and Egypt.

The incident occurred after the Israel Defense Force received a warning from electronic sensing equipment that a border fence on the frontier between Gaza and Egypt had been tampered with.

When a unit was sent to investigate, they found a ladder leaning against the electronically monitored fence. Shots rang out from a nearby home when the officer, Captain Motti Ovadia, got out of his jeep to inspect the fence.

Ovadia, 23, of Kibbutz Yotvata in the southern Negev, received two wounds to the head and was rushed to a hospital in Ashkelon. He died of his injuries within a few hours.

Other members of his unit returned the fire, but the assailants escaped.

After being informed of the incident, Palestinian police began searching for suspects.

A leaflet signed by members of the militant Hamas movement was found at the scene. It said the attack had been carried out "as the first in a chain of retaliations for the Israeli massacre of Gaza residents" on Sunday at the Erez checkpoint separating northern Gaza from Israel.

Israeli officials have accused Hamas activists of instigating Sunday's riot, in which two Palestinians were killed and at least 75 were wounded.

The riots, which began when frustrated Palestinian day laborers rushed the Israeli side of the Erez crossing, also resulted in the wounding of 17 Israeli soldiers and border police.

In other unrest Tuesday, an Israeli border policeman suffered head injuries after rioting erupted in the West Bank town of Hebron.

Israeli police responded to the violent demonstrations by firing rubber bullets and tear gas. Israeli security officials imposed a curfew on the town, which has been a hotbed of unrest since the Feb. 25 killings of 29 Palestinians by an Israeli settler.

NEWS ANALYSIS:**HUSSEIN'S GESTURE TO ISRAEL MARKS
ONE MORE SIGN OF THE CHANGING MIDEAST**
By Cynthia Mann

JERUSALEM, July 19 (JTA) -- A flurry of dramatic diplomacy between Jordan and Israel, culminating in a summit next week in Washington between King Hussein and Prime Minister Yitzhak Rabin, is being seen here as a bow by Hussein to the changing political realities of the Middle East.

Jordanians and Israelis broke long-held taboos this week as the first formal talks ever held in the region began in an effort to hammer out bilateral issues and pave the way for a peace agreement between the two nations.

The week's diplomacy was to culminate in an unprecedented trilateral economic meeting scheduled for Wednesday at a Dead Sea resort in Jordan between Jordanian Prime Minister Abdul Salam al-Majali, Israeli Foreign Minister Shimon Peres and U.S. Secretary of State Warren Christopher.

Christopher, making his fourth trip to the Middle East, was spending the week in the region primarily to revive moribund talks between Israel and Syria.

But all of this activity was considered merely a prelude to the main act next week in Washington, where Rabin and Hussein are scheduled to meet and to address a joint session of Congress.

Their summit was not expected to produce dramatic results, but it is being viewed as having critical symbolic significance.

"It is a breakthrough of the highest order," Peres said. "It is a turning point in the Middle East."

"This unprecedented event should usher in a new era in our relationship," said Elyakim Rubinstein, head of the Israeli delegation to the talks with the Jordanians.

And the generally cautious Christopher was nearly ebullient when he spoke to reporters after meeting with Peres earlier this week.

"The Arab-Israeli conflict, one of the most longstanding and intractable conflicts of this entire century, is drawing to an end," he said.

Hussein has met with Israeli leaders before, but only secretly.

'A Clear Demonstration Of Movement'

The meeting is "a clear demonstration of movement, a way to energize and accelerate the progress between the two (countries) and to build the concrete forms (of) normal peaceful relations," said a senior White House official at a background briefing in Washington last week.

The summit is seen as clear evidence that Hussein is determined to be a player in the regional peace process.

By meeting with Rabin, say observers, Hussein is demonstrating that he is unwilling to be marginalized by the autonomy deal between Israel and the Palestine Liberation Organization and that he is undaunted by the threat of Syria's disapproval or by the strong internal opposition he faces from extremist elements.

In fact, Syrian President Hafez Assad was reported to have reacted to the news of the summit, transmitted in a courtesy phone call by President Clinton, by saying he was not happy with the news, but accepted it.

U.S. and Israeli officials clearly hope Hussein's actions will have the effect of prodding Syria forward in the peace talks with Israel.

But after a two-hour meeting with Assad in Damascus on Tuesday, Christopher returned to his usual cautious stance.

"We are still in the process of a very complicated negotiation," he said, adding that little that could be seen as hopeful news.

In anticipation of the Christopher visit,

Peres sent a signal to Assad last week underscoring Israel's readiness to deal by pointedly declaring Israel's recognition of Syrian sovereignty over the Golan Heights.

Syria has repeatedly stated it will negotiate with Israel only if Israel first accepts the principle of full withdrawal from the Golan. Israel, in turn, has maintained that it wants agreement on the overall nature of an Israeli-Syrian peace before it makes any concessions on the Golan.

Their positions have been set in cement for months.

In Jordan, meanwhile, opposition parties have condemned the summit and reportedly proclaimed the days of Jordanian talks with Israel as days of mourning.

Few Expect Peace Agreement From Summit

For its part, Israel is seizing upon the developments with Jordan to reassure Hussein that he has not been sidelined by the agreement with the PLO and that Jordan plays a critical role in the overall regional peace process.

"For a while, after the agreement with the Palestinians, an impression could have been created that the Israeli-Jordanian track has been somewhat sidetracked," Rubinstein said at the opening of the talks with Jordan this week.

"What we see now, this week and next week, attests to the contrary," he added. "The relationship with Jordan has been central to Israel's peace policy."

Few expect next week's summit to culminate in an Israeli-Jordanian peace agreement.

Hussein will "not be in a position to sign an agreement in Washington," Deputy Foreign Minister Yossi Beilin said this week.

"The gap between the Jordanian views and attitudes and ours is not a very big one," he said, adding that it could be a matter of months before an agreement is signed "if they are ready to sign an agreement separately" from Syria.

Much attention has focused on the incentives the United States has held out to woo Hussein to the Washington summit with Rabin, including promises of relief for its \$700 million debt as well as military aid.

But analysts say that is not the principal force driving Hussein to act now.

What is driving him, they say, is the need to protect the interests of his Hashemite Kingdom suddenly threatened by the successes of the PLO.

For Hussein, the stakes are high, "given Jordan's proximity to the West Bank and its large Palestinian population," said Asher Susser, head of Tel Aviv University's Dayan Center for Middle East Studies.

"It was important for them to get back in (the peace process) at the highest levels and secure their own interests at the bilateral level to be able to influence their relationship with the emerging Palestinian entity," Susser said.

Before the Palestinian self-rule accord was reached by Israel and the PLO, said one well-placed source who asked not to be identified, Jordan believed its interests were best served by joining a united front with Syria and Lebanon and allowing Syria to determine the pace of the negotiations.

But after the Israeli-PLO deal was made public, Hussein felt "abandoned and tricked" by Israel and the PLO, he said. Hussein was less

inclined to stick with Syria because he saw "Syria couldn't stop the PLO train," he said.

Finally, Hussein's fear of being left behind galvanized him into action after he witnessed PLO Chairman Yasser Arafat's triumphant return to Gaza earlier this month and the virtual collapse of the PLO leader's opposition there, said the source.

"The worst enemy of the Hashemite regime is the Palestinian nationalist movement," said Dan Schueftan, a Jordan expert associated with Haifa University.

"If everybody recognizes the PLO as the sole, legitimate representative of the majority of your country, at least one regime in the East Bank is redundant," said Schueftan, reflecting the widespread belief that Palestinians comprise the majority of Jordan's population.

In fact, there are some in the Middle East who see Jordan, created in the 1920s, and the Hashemite Kingdom "as a passing phenomenon," and this means Hussein's "fundamental strategic concern is to consolidate the nation as a fixture in the region," said one well-placed observer.

Jordan Faces Challenges From Palestinians

Susser believes Jordan faces a challenge, but not an existential threat from the new political realities emerging in the region.

He said Hussein has reason to be concerned about the destabilizing prospect of Palestinian citizens on the East Bank torn by conflicting loyalties to the state of Jordan and to the national, PLO-led movement in the West Bank.

Susser thinks Hussein will seek to offset such a development by creating a partnership with the Palestinian entity. A confederation between the two, which gives Jordan influence over their relationship, would be "ideal" for Jordan, Susser said.

The discussions this week between Israel and Jordan focused primarily on the demarcation of borders, security and water rights.

On Tuesday, three teams of negotiators ended the two days of talks with a joint statement and news conference, the keynote of which was optimism tempered by the recognition that much work still remains to be done by the Israelis and Jordanians.

The news conference called by the two delegation heads -- Israel's Elyakim Rubinstein and Jordan's Fayez al-Tarawneh -- clearly showed the desire of both sides to demonstrate that progress was being made, although, in fact, little of real substance has yet been achieved.

Not officially on the table now, but very much on Hussein's mind, was the question of who will have control of eastern Jerusalem.

Hussein views himself as responsible for the Muslim holy sites there and is clearly concerned about being edged out by the PLO.

In statements issued in recent days, Peres sent the message that Israel is open to finding a way to preserve Jordan's connection to the holy places.

He also stated that Israel is committed to the continued existence of Hussein's Hashemite Kingdom.

"We recognize the legitimacy of the Hashemite Kingdom of Jordan and while some have said Jordan is Palestine, I think Jordan is Jordan," Peres stated.

ARGENTINE JEWISH COMMUNITY PICKS UP THE PIECES AFTER DEVASTATING BLAST

By Victoria Verlichak

BUENOS AIRES, July 19 (JTA) -- Amid continuing grief and shock over the bomb explosion that claimed at least 27 lives and destroyed its central headquarters, the local Jewish community here was determined to pick up the pieces and move on.

On Monday, the same day that the explosion blew up the building housing the offices of the Jewish Kehilla, or Jewish community organizations, new offices in a neighboring community center began functioning in an effort to provide continued services to the Jewish community.

Alberto Crupnicoff, president of AMIA, the community's 100-year-old main social service agency, said that although its home had been destroyed, the Kehilla has its doors open in a new location so "our grandchildren can celebrate AMIA's 200th anniversary."

Still, the community was left reeling after the bomb almost leveled the seven-story building as employees were arriving for work just before 10 a.m. local time Monday. An estimated 100 people were inside the building at the time.

Besides those killed, at least 127 people were injured in the attack, including passersby. Seventy people were still unaccounted for as of late Tuesday.

The death toll was expected to rise as workers sifted through the rubble. Among those killed were two police officers in a car stationed outside the building as a security measure.

The blast echoed the one that demolished the Israeli Embassy here in March 1992.

No one was ever tried for that attack, which killed 30 and injured 250. At the time of that bombing, the Islamic Jihad in Beirut issued a statement claiming responsibility.

In this latest attack, a group calling itself Islamic Command called a local radio station to take responsibility.

Two foreigners were reportedly arrested in connection with the attack as they were trying to leave the country Monday, but were later released. Government officials on Tuesday said that a third foreigner, an Iraqi, was still being held.

In Israel, Prime Minister Yitzhak Rabin called the attack "a cowardly, criminal, despicable act."

He blamed Islamic extremists sponsored by Iran for the attack. He called on the international community "to strike at this viper and crush its skull." Iranian officials in Teheran denied any involvement in the bombing.

Israel Dispatches Rescue Unit

An Israeli air force cargo jet left Israel early Tuesday morning on a 20-hour flight to Buenos Aires, with 50 members of an emergency disaster rescue unit and their equipment, to help the Argentinians sift through the rubble at the bomb site.

The blast sent ripples of fear and anger throughout the Argentine Jewish community of 220,000, the largest in South America, which had barely recovered from the 1992 attack on the embassy.

The two blasts produced the same anguished shock, the same acts of good will on the part of

members of the community and the same gnawing sense of insecurity.

But this time, the mood was different because the hurt and the rage was more evident among some members of the Jewish community and its leaders.

"Solidarity is not enough, we demand results. We must know who is guilty and it's the government's duty to catch them," Ruben Beraja, president of DAIA, the umbrella organization of Argentine Jewry, told the Jewish Telegraphic Agency.

DAIA called for a peaceful demonstration on Thursday to express the feelings of the community and repudiate the act.

This time, the bomb struck one of the community's most important addresses, although the building is in a poor neighborhood where most Jews no longer live.

It housed the DAIA, the AMIA and a library of YIVO, the Jewish Research Institute, where the archives on Jewish life in Argentina were stored, among other organizations.

Loss Of Archives Mourned

In New York, Rabbi Leon Klenicki, interfaith director for the Anti-Defamation League and a native of Argentina, especially rued the loss of the YIVO library, which covered the history of the Argentine Jewish community.

"I used to spend hours in the YIVO, reading and reading, and now everything is gone. Gotenyu," he said, using the Yiddish word for God used in times of grief.

On Tuesday, the Jewish community buried two of the victims at the Tablada Cemetery in Buenos Aires.

One of those buried, Jaime Platzkin, was about 60 years old and was one of the people who had worked longest at AMIA.

The chief rabbi of Buenos Aires, Salomon Ben Hamuds, intoned the prayers at the funeral.

"Many people came, and they were very sad but not yet saying all of what they had in mind," he later told JTA.

In the immediate aftermath of the blast, a team of rabbis and psychologists began talking with the wounded victims and the relatives of those who are still missing.

Eduardo Baron, who was working on the second floor of the building at the time of the blast, was able to escape with only minor injuries through the back of the building.

"Two-thirds of the building fell down, but I was in the part that didn't fall completely," he said, his face tired and covered with bandages.

Shoshana Kreimen-Brill, the wife of a well-known local rabbi, was one of those still missing. While her husband was composed, one of her three teen-age daughters was crying loudly.

There was a long line of people in front of the new AMIA headquarters. Their faces were lined with fatigue, and many had swollen eyes.

With the passing of the hours, it was evident that hope was vanishing for many of those waiting for news of their loved ones.

In three words, Claudio Rosujovsky, one of those standing at the new headquarters, summed up the feelings of many here: "Why us again?"

(Contributing to this report were JTA staff writer Susan Birnbaum in New York and correspondent Hugh Orgel in Tel Aviv.)

NEWS ANALYSIS:**LAWMAKERS FLEX FOREIGN-POLICY MUSCLE AS THEY MOVE FORWARD WITH FOREIGN AID**

By Matthew Dorf

WASHINGTON, July 19 (JTA) -- As the foreign aid bill continues to make its way through Congress, lawmakers have inserted themselves squarely into the debate over the status of Jerusalem and other issues surrounding Arab-Israeli peace.

The Foreign Operations Appropriations Act cleared its next-to-last hurdle when the Senate passed the measure 87-9 last Friday.

The \$13.6 billion foreign aid package approved by the Senate, like the one passed in the House earlier this year, includes what has become an annual \$3 billion in aid to Israel and \$2.1 billion for Egypt. The package also includes, for the first time, \$78 million for the Palestinians in Gaza and Jericho.

Senate and House conferees will begin meeting as early as next week. Both houses must then approve the conference report.

Of the three amendments relating to the Middle East unanimously adopted by the Senate during three days of debate last week, only one is expected to draw opposition from the Clinton administration when the conferees meet.

The Israeli government is supporting all three amendments, according to officials at the Israeli Embassy here.

Although congressional debate on Middle East issues -- and foreign policy in general -- is not unusual during consideration of the foreign aid bill, the ongoing delicate negotiations between Israel and its Arab neighbors has heightened the importance of any action this year.

And, unlike in past years, the amendments passed this year are more germane to specific developments in the Middle East.

The most contentious of the three amendments passed by the Senate seeks to prevent American diplomats from meeting with members of the Palestinian authority anywhere in Jerusalem.

The measure, sponsored by Sens. Jesse Helms (R-N.C.) and Daniel Patrick Moynihan (D-N.Y.), also prohibits the U.S. Agency for International Development from opening any new offices in Jerusalem to dispense aid to Gaza or Jericho.

Opposition Is Brewing

Although the Moynihan-Helms amendment did not spark floor debate, opposition is brewing at the White House and State Department, where officials fear the ban would bring the issue of Jerusalem prematurely into the forefront of discussions.

State Department officials plan to weigh in against the amendment when the House-Senate conference committee begins its work.

According to the agreement between Israel and the Palestine Liberation Organization, the question of Jerusalem is supposed to be left to final-status negotiations that will begin within two years.

The issue of aid to Palestinians being channeled through Jerusalem came to the fore last month when State Department officials confirmed AID was considering an office in eastern Jerusalem to dispense financial assistance to Palestinians in Gaza and Jericho.

Israeli officials and members of Congress protested the plan on the grounds that it would prejudice the final status of Jerusalem.

The U.S. Consulate in Jerusalem currently houses AID workers who administer financial assistance to Palestinians in the West Bank. However, now that Palestinians have limited autonomy, there is a belief that any future assistance should be dispensed from Gaza and Jericho directly.

An administration official traveling with Secretary of State Warren Christopher to the Middle East this week said the administration has "categorically ruled out" opening an office in eastern Jerusalem, according to media reports.

In the Jewish organizational world, both the American Israel Public Affairs Committee and the Zionist Organization of America actively supported the Helms-Moynihan amendment.

AIPAC President Steve Grossman expressed his support for what he described as a "timely amendment which strengthens Jerusalem's status as Israel's eternal, undivided capital."

ZOA Chairman Morton Klein praised the Senate, saying, "There should be no political institutions meeting with Palestinians in Jerusalem which would challenge or compromise Israel's sovereign rule over Jerusalem."

But not all Jewish groups support the measure. Peace Now's political director and founder, Mark Rosenblum, said it is "premature" to say whether he will lobby against the Helms-Moynihan amendment.

Peace Now Joins AIPAC, ZOA To Praise Senate

"This is an issue for Arafat and Rabin that has been complicated by statements by Arafat and (by) serious attempts (by Jews) to settle in East Jerusalem," he said. "Arafat and Rabin need to come to a just understanding on how to not make Jerusalem a frontal issue now."

However, Peace Now joined AIPAC and ZOA in praising the Senate for using the debate over the foreign aid bill to bolster provisions calling for Palestinian compliance with the peace accords.

An amendment authored by Sen. Arlen Specter (R-Pa.) prohibits the United States from sending any aid to the Palestinians until the PLO amends the sections of its covenant calling for the destruction of the State of Israel.

The Specter amendment also prevents the president from certifying PLO compliance with the peace accords without congressional oversight.

Under current law, the PLO only has to convene the Palestine National Council in order to meet Congress' definition of compliance.

If the Specter amendment emerges intact, which analysts say is most likely, the PLO essentially has six months to amend its covenant before the next time President Clinton must certify that the PLO is complying with the accords.

"The Specter amendment will only enhance the potential likelihood of a real peace," said Klein, whose organization has actively lobbied Congress to monitor the PLO commitments. "Arafat and the PLO must have their feet held to the fire," he said.

Peace Now's Rosenblum also said the PLO's "feet must be held to the fire" to amend the covenant. Both AIPAC and Peace Now worked to get passage of the Specter amendment.