

**CREEPING TOWARD PEACE: ISRAEL, JORDAN
ANNOUNCE VENTURES BUT NOT A TREATY**
By Matthew Dorf

WASHINGTON, Oct. 3 (JTA) -- Despite anticipation of movement toward a peace treaty between Israel and Jordan, Israeli Foreign Minister Shimon Peres and Jordan's Crown Prince Hassan broke no significant new ground at their White House meeting this week.

The two countries did, however, continue to creep toward a full peace at their Monday morning session. The meeting produced concrete programs to implement economic development, increase tourism and study water resources.

Although the two sides have failed to agree on some of the larger issues standing in the way of a peace treaty, including border demarcation and water rights, Peres called the agreement "more than I had hoped for."

And in Jerusalem, Prime Minister Yitzhak Rabin told the Knesset he expected a full peace treaty to be signed with Jordan by the end of the year.

Peres' meeting with Clinton and Hassan in Washington capped a 10-day visit to the United States which centered primarily on meetings at the United Nations with foreign ministers and diplomats from dozens of countries.

A highlight of the meetings, which coincided with the opening of the U.N. General Assembly, was Tunisia's decision to exchange an economic interest section with Israel.

'The Building Blocks Of Peace'

Speaking at a news conference in the White House driveway after an hour-long meeting with the Israeli and Jordanian officials, President Clinton called the progress between Israel and Jordan "the building blocks of a modern peace between these ancient lands."

A joint communique by Clinton, Peres and Hassan signed Monday expands on goals established at earlier meetings in June and during the July 25 summit between King Hussein and Rabin in Washington, when the two leaders officially declared an end to their state of war.

Israel, Jordan and the United States formed a Trilateral Economic Committee one year ago to look at avenues for cooperation.

Under the agreement reached this week, businesspeople and some economic reporters will be able to travel back and forth between Israel and Jordan to discuss joint ventures beginning immediately. Peres and Hassan also agreed to explore the possibility of establishing a free-trade zone around Aqaba and Eilat.

In addition, with the help of U.S. grants, Jordan and Israel will commission a study on a Red Sea Marine Peace Park and convene a symposium on the feasibility of a Red Sea-Dead Sea canal.

Israel and Jordan also agreed to consider erecting dams on their borders to ease the crunch of scarce water supplies. At a briefing after the White House meeting, Israeli officials said the dams would cost between \$80 million to \$120

million and estimated the price tag of a final solution to the region's water problems at \$13 billion.

The two nations also agreed to open another border crossing in northern Israel. The border is slated to be opened Oct. 15 by U.S. Secretary of State Warren Christopher, who will be returning to the region for Mideast peace talks.

The two sides also agreed to continue discussing an Israeli proposal to set up a Middle East regional bank to help fund some of the projects.

This week's agreement comes only weeks before Israel and most of the Arab states will convene an economic conference on the Middle East in Casablanca, Morocco.

The agreement clears the way for Israeli and Jordanian officials to seek outside funding for many of the projects.

BEHIND THE HEADLINES:**IS THE JEWISH COMMUNITY CHANGING
TO MEET THE NEEDS OF A CHANGING JEWRY?**
By Debra Nussbaum Cohen

NEW YORK, Oct. 3 (JTA) -- The Jewish community has undergone dramatic demographic changes over the past several decades -- and the organizations that serve it are struggling to catch up.

The new realities are prompting a philosophical debate among Jewish sociologists and organizational leaders about the directions they must take if Jewish institutions are to both serve already-affiliated Jews and reach out to those in the vast penumbra of people with a tenuous connection to the Jewish community.

A manifesto for change, newly published by demographer and sociologist Gary Tobin, and reaction to its dramatic proposals, illustrate the range of perspectives within the debate.

Some say that Jewish organizations already are evolving to meet the new challenges.

Others, including Tobin, say that change is not happening quickly enough. The result, he says, is that the majority of Jews are unaffiliated with the organizations that are supposed to serve their needs.

There is wide agreement among observers that American Jewry today is thoroughly different than the community that existed decades ago when most major American Jewish organizations were founded in response to the needs of those eras.

Recent studies show that the Jewish population today is increasingly disenfranchised from the traditional measures of connection to Jewish identity, such as synagogue membership, federation contributions and levels of observance.

Studies also reveal a Jewish population now creating more than twice as many intermarried couples as in-married ones.

The new realities have begun to impact much of Jewish organizational life -- from membership and fund raising to the delivery of Jewish social services and education.

Some Jewish organizations are facing shrink-

ing and aging memberships. In addition, synagogues, Jewish schools and membership organizations like B'nai B'rith are dealing with a significant minority of non-Jewish participants, most of whom come to the institutions through intermarriage.

And almost every agency is confronting shrinking funding. Several Jewish groups have been forced to cut staff and others, to consolidate office space.

The American Jewish Committee, for example, slashed its staff by one-third in 1990 in order to cut a \$4 million deficit after five years of riding a fiscal roller coaster.

In the process, it re-defined its mandate and now focuses more on issues of pluralism in America and enhancing Jewish identity than it did before.

"The communal agenda is clearly in a period of transition exactly at a time of institutional shrinkage," said Jerome Chanes, co-director of domestic concerns at the National Jewish Community Relations Advisory Council.

'A Real Challenge'

"It's a real challenge and we don't know how it will shake out," Chanes said.

According to Tobin, Jewish organizations and institutions are currently failing to meet the needs of those they are supposed to serve.

They must radically change or will have to be abandoned in favor of new groups, asserted Tobin in a manifesto for change recently published by the Cohen Center for Modern Jewish Studies, which he directs at Brandeis University.

Tobin outlined his blueprint for change in the form of a new booklet titled "Creating New Jewish Organizations and Institutions."

Tobin wrote that some organizations "may have to be abandoned in order to make way for new" ones, because those which already exist fail to meet the needs of today's Jewish community.

Jewish organizational leaders "often complain that the Jewish population has moved away from them," Tobin said in a telephone interview.

"Maybe it is that Jewish organizations have moved away from Jews by standing still," he said. "They haven't changed rapidly enough to adjust in the ways that the Jewish community has."

"Current concern over the issue of 'Jewish continuity' masks the real issue facing the American Jewish community: whether or not the existing structure has the capacity to build and nurture the Jewish community of the future," wrote Tobin in his publication.

"Existing ideological and structural gaps are inhibiting change at the most basic levels," he argued. "Organizations and programs often suffer from a lack of direction, a lack of will or both."

In his conceptual re-engineering of the Jewish community, Tobin lists new institutions which he believes should be created to take the place of the old.

They include: an institute for Israel/Diaspora community relations, a national Jewish learning center for adults, Jewish retreat centers and new institutes for rabbinical training.

One organization founded 20 years ago in part to overcome institutional boundaries in Jewish communal life is CLAL -- The Center for Learning and Leadership.

According to Irwin Kula, CLAL's director of

education, a "certain paralysis" plagues Jewish life in response to the problem of intermarriage.

"A lot of the protective attitudes we have had as a community, like focusing solely on the Holocaust and using Israel as a vicarious experience" of Jewish life "won't work anymore," said Kula.

"We need to think about who we are as Jews," he said. "We need to open up the whole system" to the input of every segment of the Jewish community."

Martin Kraar, executive vice president of the Council of Jewish Federations, acknowledged that Jewish communal institutions, including federations, have "never been ahead of the curve" when it comes to meeting new challenges presented by historical changes within the Jewish community, like the recent shift in demographics.

"Needs have always far outweighed our ability to meet them," he said. "It's part of our history."

But while federations may not have moved quickly enough, Kraar said, they have moved.

"In every step of the history of the federations, there have been periods of time when we have changed according to the changing times," he said.

According to Kraar, federations are today meeting new challenges more promptly than before "because we are more reality focused and have the ability to define the issues much sooner with research."

'We Are Not Constitutionally Incapable Of Change'

Barry Shrage, president of the Combined Jewish Philanthropies of Greater Boston, said that the challenge currently facing Jewish institutions is "to create institutions with doors open very wide but standards which are high and don't leave out any of the complex spirituality which we represent."

Shrage said that the barriers to accomplishing this in the organized Jewish world are "imagination and vision, not money."

While some agree with Tobin and Shrage that dramatic changes must take place, many longtime participants in Jewish organizational life say that Jewish institutions constantly evolve to meet new needs -- and are doing so now.

"I don't agree that there's inertia leading to ossification," said NJCRAC's Chanes.

"When individuals feel that existing groups aren't responding to their needs, they create a new organization," he said. "This is not a society with a single voice for any community."

Steven Bayme, director of Jewish communal affairs at the American Jewish Committee, said, "There is a real challenge going on right now within every Jewish institution to rethink its priorities.

"It requires a great deal of will, but we are not constitutionally incapable of change," Bayme said.

Abraham Foxman, national director of the Anti-Defamation League, argued that organizational change "is happening all the time.

"The ADL today is not what it was 20 years ago or 40 years ago," he said. "There is a continuous evolutionary process" going on.

"The marketplace," he said, "will determine which institutions will or will not survive, who we are and how we act."

ALFRED MOSES' APPOINTMENT AS ENVOY TO ROMANIA ANGERS HANDFUL OF OFFICIALS

By Susan Birnbaum

NEW YORK, Oct. 3 (JTA) -- Alfred Moses, president of the American Jewish Committee and a longtime advocate on behalf of Romanian Jewry, has been appointed U.S. ambassador to Romania.

The appointment, which was unanimously confirmed last week by the U.S. Senate, has riled some emotions in Romania, where seven Romanian parliamentarians have charged that Moses was a supporter of the late Communist dictator Nicolae Ceausescu.

Moses, a Washington attorney who in the 1970s was special counsel to President Carter, has vigorously denied this, saying the charges are "absolutely baseless."

"My dealings with Ceausescu were formal, proper and frigid," Moses said in a telephone interview from his home in Virginia on Sunday.

The controversy over Moses' appointment revives old issues about links between Romanian Jewry -- which often became a bargaining chip in Romanian-American negotiations during the Communist era -- and the Ceausescu dictatorship, which was overthrown in 1989.

The appointment of the 65-year-old Moses, which has the support of many government officials in Romania, was widely publicized in the Romanian media, with many newspapers profiling him as a well-known representative of American Jewry. He served in a number of AJCommittee post before being elected the group's president in 1990.

Moses' appointment also apparently marked the first time that the name of a foreign ambassador was announced before he presented his credentials.

The seven Romanian parliamentarians opposed to Moses sent a letter to U.S. Sen. Jesse Helms (R-N.C.) last month protesting the nomination.

In it they expressed their opposition to the appointment on "moral grounds," claiming that Moses "was, for a long time, associated with the Ceausescus; this disqualifies him in the race for the position of ambassador in Romania."

'The Only Leverage We Had'

They also wrote that Moses, "at Ceausescu's request, covered, concealed or minimized the situation in Romania when he spoke in front of some committees of the American Congress in the '70s and '80s."

Moses, who said he plans to leave for Bucharest "as soon as possible," said that Helms "paid no attention" to the letter.

Noting that the Romanian criticism stems from his support for granting Romania most-favored-nation trade status, Moses said, "I supported MFN for Romania, but I used MFN to help Romanians, both those seeking to leave and those not leaving. It was the only leverage we had."

In his constant pursuit of achieving most-favored-nation trade status in the United States, Ceausescu often used the late Romanian chief rabbi, Moses Rosen, as an intermediary with the United States for MFN status.

Rosen's support for MFN stemmed from his belief that it was the most tangible way to help the Romanian Jews -- both the 400,000 who were allowed to make aliyah and those who remained.

Because of those connections, Romanian Jewry was the only Jewish community allowed to emigrate from a Communist country during the height of the Communist era.

Rosen's dealings with the Ceausescu regime made him a target of frequent criticism and suspicion as a possible Communist and Ceausescu ally.

Moses, who was also very involved with the issue of Romanian emigration, said he sometimes disagreed with Rosen on the issue, but they became "dear friends."

Moses said he met with Ceausescu only three times, and that he "negotiated with the Ceausescu government to change the emigration procedures for Jews."

He also said that despite his support for MFN, Moses conveyed to U.S. officials the "oppressive conditions," he found following his initial visit to Romania in 1976.

Since Ceausescu was killed by a Romanian firing squad in December 1989 and Romania moved haltingly toward democracy, Moses has spoken up several times against the rise of anti-Semitism.

He sharply criticized Romanian leaders for allowing a statue of World War II fascist dictator Ion Antonescu to be erected last year and warned against attempts to recast Antonescu as a hero.

(JTA correspondent Odette Kaufman-Blumenfeld in Iasi, Romania, contributed to this report.)

RUSSIA TO ESTABLISH PRESENCE IN JERICHO

By Hugh Orgel

TEL AVIV, Oct. 3 (JTA) -- Russia will soon establish a low-level liaison office in the autonomous Jericho region in the West Bank.

The decision to open an interest section in Jericho, which officially fell under Palestinian self-rule in May, was announced in Moscow during an official visit there by Palestinian leader Mahmoud Abbas, who is also known as Abu Mazen.

An interest section falls short of full diplomatic representation, a move prevented by the Palestinian self-rule accord, which denies the Palestinians the right to have direct diplomatic ties with foreign governments.

In late August, Germany became the first country to establish a mission in the Palestinian autonomous areas when it opened an office in Jericho to monitor the spending of German aid to the Palestinians.

PALAU AND ISRAEL ESTABLISH TIES

By Hugh Orgel

TEL AVIV, Oct. 3 (JTA) -- A day after it declared independence, the tiny Pacific island-nation of Palau established full diplomatic relations with Israel.

A mutual-recognition agreement was signed Sunday by Israel's ambassador to Fiji, Shmulik Moyal, and Palau's foreign minister, Andre Uherblau.

Formerly a part of the Trust Territory of the Pacific Islands which fell under U.S. supervision as part of a U. N. mandate established after World War II, Palau is located east of the Philippines and north of Papua New Guinea.

Comprising an archipelago of 340 islands and atolls, only 10 of them inhabited, Palau has a population of 16,000.

DINITZ'S TRIAL FURTHER BATTERS IMAGE OF BELEAGUERED JEWISH AGENCY

By Cynthia Mann

JERUSALEM, Oct. 3 (JTA) -- The trial of Jewish Agency Chairman Simcha Dinitz, which began last week, promises to be a difficult ordeal for a man who took the perquisites of power for granted and for an institution already battered by charges of being inefficient and outmoded.

Dinitz stands charged with aggravated fraud and breach of public trust. His alleged crime was that he charged \$22,000 in personal expenses over a four-year period to credit cards for which the Jewish Agency picked up the bill.

Dinitz, who took a paid leave of absence from the Agency to prepare his defense, has pleaded innocent to the charges, which carry a maximum penalty of five years in prison.

He has since paid back the money and claims it was all an oversight due to sloppy bookkeeping practices.

According to Agency rules, executives are to be billed for any expenses not specifically claimed as work-related, and his should automatically have been deducted from his salary, Dinitz claims.

In fact, Dinitz failed to file the proper reports, and the Agency reimbursed him for all of his expenses.

The prosecutor, Shimon Dolan, argues the affair was not a one-time stumble, but a systematic and intentional effort by Dinitz to defraud the Agency for his personal gain.

Dinitz, he says, took advantage of his status and the confidence placed in him as head of the Agency.

In any case, for four days each week, the 65-year-old former ambassador to the United States and protege of former Prime Minister Golda Meir must sit in a small and dingy courtroom in the Jerusalem District Court building in eastern Jerusalem and watch his fate be decided.

On the first day of the trial, Dinitz sat soberly in a grey suit, listening intently to the remarks of the prosecutor, occasionally shaking his head and taking notes.

Members of his family and a few faithful allies were present, along with the expected bevy of reporters.

Heavy Coverage In Israeli Media

The Israeli media coverage of the trial's opening was heavy. In a few of the daily newspapers, the pages of section fronts were filled with the story accompanied by big color photos of a grim-looking Dinitz. But subsequent coverage has been lighter and more technical as the testimony itself bogs down into details of Agency accounting procedures.

Early coverage of the affair in the Israeli media was marked by the almost gleeful feeding frenzy inevitably attached to the fall of a man who allegedly misused his power and position.

But now that Dinitz sits alone day after day on the defendant's bench, touches of pathos, tragedy and even compassion have crept into the stories on the case.

At the highly politicized Jewish Agency, Dinitz has plenty of detractors. Even those who like him concede that his arrogance has made him many enemies.

At the same time, all recognize that for

now, Dinitz's fate is inextricably linked with that of the institution he officially still heads.

All concede the affair has hurt and will continue to hurt the Agency as long as the trial lasts -- and it is expected to last a few months. The prosecution alone plans to call at least two dozen witnesses, and the first witness was still being cross-examined on the fourth day.

Jewish Agency officials, none of whom would speak about the case for the record, are sure Dinitz will defend himself by putting the Agency on trial alongside him -- and they are girding themselves for it.

They anticipate Dinitz's lawyer will argue that his client's fast and loose behavior with expenses was simply a reflection of the Agency's norms and practices, and nothing out of the ordinary.

By early this week, it was clear the defense was headed in that direction, although it was less clear the judge would be convinced by this line of argument.

During his prolonged cross-examination of the first witness, Nadav Shukrun, defense attorney Uri Wagman tried to show that excessive travel expenses and lax accountability were standard at the Agency. Shukrun was responsible for expense reimbursements of the Agency's department of emissaries from 1991 to 1994.

But Judge Shalom Brenner appeared to indicate he was not buying the defense's rationale. According to reports of the trial, he said the department's improper operation did not automatically exonerate the defendant's behavior.

Wide Practice 'Doesn't Make It Permissible'

The fact that a practice is widespread "does not make it a permissible one," the judge said.

This week, Shukrun's testimony implicated the Jewish Agency as a place where lavish spending was the norm. He said emissaries were routinely given highly inflated advances when they traveled, while Wagman showed there were instances of executives being reimbursed for trips without submitting any receipts.

"There is no doubt there will be an impact on the Jewish Agency," said one Agency official, "but it is too early to measure the damage."

One thing is certain, he added. It is not only the image of the Agency which is at stake, but the very "willingness to contribute (money) through the Jewish Agency."

The timing of the trial is not good, another official said.

The Agency's Board of Governors is scheduled to convene here later this month, and the Diaspora fund-raisers in attendance will be exposed to a near-daily barrage of negative publicity about the Agency.

Board of Governors Chairman Mendel Kaplan may also find himself on the defensive.

Kaplan initially adopted a low-key approach to the affair, determining that Dinitz made an inadvertent error.

But the Board is unlikely to take official action this month on a permanent replacement for Dinitz, who is expected to vacate his post formally by the end of year.

Sources say the tenure of Acting Chairman Yehiel Leket will probably be extended until February, at which time a new permanent chairman will be installed.