

**SAUDI OFFICIALS ASSURE AJCOMMITTEE  
THEY WON'T USE CONTROVERSIAL SATELLITE**  
By Larry Yudelson

NEW YORK, Oct. 12 (JTA) -- Saudi Arabian officials assured the American Jewish Committee this week that they have no intention of using data from a controversial spy satellite for military purposes.

The assurances came as AJCommittee leaders were in Riyadh as guests of Saudi King Fahd.

"We came to learn about a country that until recent years was not accessible to us," AJCommittee President Alfred Moses said in a telephone interview.

The Saudis first received a Jewish group, the American Jewish Congress, in January 1992.

The satellite, which has emerged as an issue in Washington in recent weeks, is to be launched in 1997 by Eyeglass International, a private consortium based in the United States that would resell the photographs.

The satellite images will have a resolution of one meter (about 3 feet), a substantial improvement over the images now available from commercial satellites. Satellite images of that resolution were considered sensitive military technology, until the Clinton administration eased requirements earlier this year to promote American exports.

But while the photographs would apparently be available to all customers, opposition to the satellite emerged after a Saudi company expressed interest in joining the consortium.

**Senators Write To Commerce Secretary**

Last week, 64 senators wrote to U.S. Commerce Secretary Ron Brown, concerned about the implications for Israel's intelligence edge if the deal went through. The senators noted that the Saudi company was planning to establish a ground station to receive the data in Riyadh.

Moses said his five-member delegation was told the satellite "is not a governmental issue," but an investment by a private Saudi citizen.

Saudi government officials said they did not plan on using the satellite information, saying that purchase of the private data would conflict with their interests of maintaining an ongoing exchange of intelligence information with the United States, according to Moses.

But one pro-Israel activist in Washington said that the Eyeglass satellite would offer information unavailable through information exchanges, since "I don't believe we give the Saudis photographs of the Israelis, or the Israelis photographs of the Saudis."

Overall, Moses, speaking by telephone from the Saudi capital, said the visit came at a good time, since the current crisis with Iraq "reinforces the importance of the U.S." in Saudi eyes.

The visit also came on the heels of the Saudi announcement of an end to the Arab boycott of companies doing business with Israel, giving the AJCommittee an opportunity to congratulate officials on the move.

"In the course of our discussions, there was

obviously disagreement," he said, citing as an example his request that the Saudis play a stronger role in the ongoing multilateral regional negotiations.

Moses, who has been named American ambassador to Romania, said the high point of the visit was addressing a dozen or more members of the chamber of commerce.

"It was an opportunity to dispel some of the myths that exist in the minds of Saudis who know little about Jews," he said.

In the wake of the terrorist attack in Jerusalem on Sunday that killed two people, Moses reported "denunciation" of the attack by the Saudis he spoke to, although there were some "references to Baruch Goldstein," the Israeli settler who killed 29 Muslims at a Hebron mosque earlier this year.

"The Saudis are very sensitive to terrorism. They see it as a threat to the Saudi regime. They see Iran and Iraq as the major threats to the area. They don't see Israel as major threat.

"They are anxious to see a peaceful resolution to the conflict between Israel and its neighbors. We were repeatedly told, 'there are no conflicts with Israel at this point,' " Moses said.

**NEWS ANALYSIS:****KIDNAPPING AND TERRORIST ATTACK  
THREATEN ENTIRE ISRAELI-PLO ACCORD**

By David Landau

JERUSALEM, Oct. 12 (JTA) -- This week's kidnapping of a 19-year-old soldier by Hamas fundamentalists, coming hard on the heels of a mass terror attack in the center of Jerusalem, has placed the severest strain on the Israeli-Palestinian peace process since the two sides signed their accord in Washington 13 months ago.

The entire nation has been gripped by the ordeal, watching Wednesday in bitter, helpless anger as television stations repeatedly played a brief video clip of the kidnapped soldier, Nachshon Waxman, in the hands of a masked gunman, pleading for the government to release Arab prisoners so that his life would be saved.

Prime Minister Yitzhak Rabin, in a series of direct telephone conversations with Yasser Arafat, head of the Palestinian Authority, declared that Israel held the authority -- and Arafat himself -- responsible for the soldier's well-being and eventual return.

Rabin told Arafat on Wednesday afternoon that Israel knew for certain the soldier was being held in Gaza, despite earlier Palestinian statements casting doubt on his whereabouts.

Rabin also told Arafat that the episode represented a fateful test of the Palestinian Authority's ability to rule in the areas under its control, and to cooperate with Israel in the fight against terrorist forces opposed to peace.

Under the self-rule accord concluded by Israel and the PLO earlier this year, the Gaza Strip and the West Bank enclave of Jericho fell under Palestinian autonomy in May.

U.S. Secretary of State Warren Christopher, in the Middle East this week trying to revive the

stalled Israeli-Syrian talks, also called Arafat to urge him to take action against Hamas.

At a session of the Palestinian Authority executive late Tuesday night, Arafat condemned the kidnapping and ordered his security chiefs to make every effort to locate the kidnapped soldier.

Before dawn the same night, Arafat reportedly met with three local Hamas leaders and demanded their help in recovering Waxman alive. The three Hamas leaders reportedly claimed that no one under their command had carried out the abduction.

The kidnapers reportedly are demanding the release of up to 200 Hamas and Hezbollah prisoners being held by Israel, including Sheik Ahmed Yassin, the founder of Hamas who is serving a life sentence in Israel for his involvement in the kidnapping and murder of two Israeli soldiers several years ago.

Although there was no direct confirmation of the kidnapers' demands on the video clip, the masked kidnapper warned the government not to "make the mistake it made with Nissim Toledano," a border policeman in Ramla who was kidnapped and murdered two years ago. Then, too, the kidnapers ostensibly demanded the release of Hamas and Hezbollah prisoners.

Security sources noted Wednesday that the analogy was weak, because in Toledano's case, the victim was stabbed to death soon after the kidnapping while Waxman was filmed alive.

In the videotape, sent by Hamas to Israel Television and to Reuters, Waxman's hands are bound behind his back. A masked Hamas member is holding the soldier's personal weapon and identity card.

Waxman apparently was abducted while hitchhiking near Ben-Gurion Airport in Lod, near Tel Aviv, on Sunday.

#### 'Have Pity On Us'

At Waxman's home in Jerusalem, Chief of Staff Ehud Barak, Knesset Speaker Shevach Weiss and Chief Rabbi Yisrael Lau were among hundreds of well-wishers who sought to give moral strength to the distraught family.

The parents appeared on television Tuesday night to appeal to the kidnapers, on religious and humanitarian grounds, to release their son unharmed. Waxman's mother, Esther, an Orthodox woman who emigrated from the United States 25 years ago, appealed to Hamas in religious terms.

"We all pray to the same God," she said. "Have pity on us."

The kidnapping could hardly have come at a more sensitive political moment for the prime minister.

Rabin was preparing to confront opposition attacks over the expected announcement in Oslo on Friday that he and Arafat are to share this year's Nobel Peace Prize.

Opposition spokesmen have been arguing that Arafat is not worthy of the prize, and that Rabin should not agree to receive it with him. On Wednesday, saddened and embittered by the week's terrorism, some of Rabin's aides, too, were questioning the domestic political wisdom of his mounting the rostrum in Oslo on Dec. 10 to receive the prize with Arafat.

To reject the prize, on the other hand, observers and other aides say, could jeopardize the entire peace process.

The same dilemma factored into the prime minister's decision Tuesday to suspend the ongoing negotiations with the PLO in Cairo. Negotiators were meeting to hammer out details for the next phase of the peace process -- Palestinian elections in the West Bank and Gaza.

Rabin recalled Israel's delegation, headed by Maj. Gen. Danny Rothschild, "for consultations."

In addition, the Gaza Strip was sealed off from Israel on Tuesday, halting the entry of Palestinian workers into Israel.

But officials in Jerusalem conceded that the suspension cannot continue too long without jeopardizing the peace process.

Just what the long-term implications of this week's events will be are not certain.

As one Israeli official put it, if Waxman is returned home safely, the Israeli and Palestinian peace initiative most likely will continue.

Such a development, according to this official, could even strengthen the process because it will reassure Israelis of Arafat's ability to control events in the Gaza.

On the other hand, if Waxman is killed, the Israelis will find it difficult to extend further autonomy to the Palestinians, knowing that Arafat is unable to control extremist forces and to deliver the promises he has made.

#### ISRAELI MILITARY COURT CONVICTS JUNIOR OFFICERS IN TRAINING ACCIDENT

By Hugh Orgel

TEL AVIV, Oct. 12 (JTA) -- An Israeli military court this week found two mid-level army officers guilty of negligence in a training accident that killed five Israeli soldiers and wounded six others two years ago.

But while convicting the unnamed major and captain, the court absolved three top officers of any responsibility for the mishap.

The three, who were all present at the Israel Defense Force's Tze'elim training and practice area in the Negev when the accident occurred in 1992, were IDF Chief of Staff Lt. Gen. Ehud Barak, IDF Chief of Intelligence Maj. Gen. Uri Saguy and Maj. Gen. Avraham Levine, who was in charge of the training exercise.

The incident, known throughout Israel as the "Tze'elim 2 Case," followed an earlier training mishap at the same base. The five soldiers were killed after a live missile was reportedly fired at the wrong map coordinates and fell on the group of soldiers.

A tight lid of secrecy was imposed on the court's proceedings, prompting demands from the families of the dead soldiers to be present in court.

A compromise was finally reached under which Reserve Maj. Gen. Yitzhak Hofi, a former head of the Mossad intelligence service, was allowed to be present in court as an observer on behalf of the families and report to them a censored version of what went on in the closed-door proceedings.

After this week's announcement of the court's verdict in the case, the families complained that "once again, as had happened several times in the past, junior officers are being found guilty for actions which also involved top army brass, but without the generals being found at least partly guilty."

**JEWISH GROUPS DECLARE VICTORY  
AS CONGRESS REJECTS SCHOOL PRAYER**

By Matthew Dorf

WASHINGTON, Oct. 12 (JTA) -- Jewish organizations declared a major victory after Congress overwhelmingly defeated a last-ditch effort to link federal education funding to prayer in public schools.

Both the House and Senate staved off proponents of school prayer by passing the Elementary and Secondary Education Act without reopening the debate on school prayer in the final days of this session.

Congress adjourned last week for the November elections.

The \$12 billion education bill is the federal government's primary vehicle for dispensing aid to public schools.

Jewish groups across the spectrum opposed an initiative by Sen. Jesse Helms (R-N.C.), who sought to cut off federal funds to states and school districts that prevent participation in what he considered to be "constitutionally protected" prayer in public schools.

What, if any, school prayer is protected by the constitution is a matter of spirited debate that has not yet been resolved.

Jewish groups opposed Helms' proposal, fearing that it threatened the separation of church and state, as well as local control of education.

"This marks the death of efforts to get such coercive school prayer language passed by Congress," said Mark Pelavin, Washington representative of the American Jewish Congress.

Michael Lieberman, associate director and counsel of the Anti-Defamation League's Washington office, painted a less optimistic picture. He called this year's battle a "harbinger of what we can expect in the future.

"This shadows the kind of struggle that a Congress with a different dynamic could mean," he added, referring to predictions that the next Congress may be much more conservative in its makeup.

**Jews Launched Big Effort To Defeat Amendment**

AJCongress, the ADL, the Institute for Public Affairs of the Union of Orthodox Jewish Congregations of America and the Religious Action Center of Reform Judaism and other groups launched the largest grass-roots effort on a domestic issue to date to defeat Helms and his supporters, according to many activists.

In February, the House adopted restrictive school prayer language. Jewish groups then mobilized in Washington and across the country in an effort to have the amendment removed from the final education bill.

Although what the Senate and House passed last week does include school prayer language that many view as unnecessary, it is nonetheless "very reasonable," Pelavin said.

Under the bill, in order for the Education Department to cut off funds to a school, a federal court would have to rule that the school "willfully violated" a court order to allow "constitutionally protected" prayer -- a term not yet defined. Activists on both side of the debate agree this scenario could almost never happen.

Although this year has marked a surge in

activity by school prayer advocates, AJCongress Executive Director Phil Baum said last week's votes should "sound the death knell" of Helms' proposal.

Jewish groups also succeeded in blocking another Helms amendment that would have prevented schools from spending any money on counseling or education programs, for example, if those programs did not paint homosexuality in a negative light.

Many found the language especially troubling in light of the fact that suicide is the leading cause of death among high-school-age homosexuals, and the bill would have tied counselors' hands at the risk of losing federal funds.

In its place, Congress adopted language that prevents schools from promoting homosexuality. The cutoff of funds also posed censorship problems for a wide range of education advocates who feared Congress would try to link other funds to such restrictive proposals.

Not all of the Jewish community's attention was focused on negative aspects of the education bill.

Measures to combat hate crimes through grant and educational programs drew widespread support both inside the Jewish community and in Congress.

The bill aims to prevent crimes by encouraging the teaching of tolerance.

It includes model programs for schools to follow.

Lieberman of the ADL praised the initiative for "institutionalizing prejudice-prevention as a means for crime-prevention."

**BOMB FOUND NEAR MOSCOW SHUL DOOR;  
FAILURE TO EXPLODE DESCRIBED AS 'LUCK'**  
By Susan Birnbaum

NEW YORK, Oct. 12 (JTA) -- An unexploded bomb was discovered near the entrance to Moscow's central and largest synagogue, according to a report from Moscow.

The report, from the Union of Councils' Moscow Bureau on Human Rights, said the bomb was discovered early Sunday morning near the entrance to the Choral Synagogue.

According to the Union of Councils, which also cited a report on the matter in the Moscow newspaper Moskovsky Komsomolets, the bomb was found at about 7 a.m. by an "individual on duty in the synagogue."

The story was corroborated by the Chabad organization Lishkas Ezras Achim, which provides religious needs to the Jews of the former Soviet Union, and by the National Conference on Soviet Jewry.

The bomb reportedly consisted of an unidentified explosive liquid in a can with a partially burned fuse.

The Union of Councils' Moscow bureau reported that the police were called but did not arrive for two hours.

It said the unexploded device was taken away by technicians of the Federal Counterintelligence Service.

According to the Union of Councils, the newspaper Moskovsky Komsomolets reported that experts believe it was only luck that the bomb did not explode, since the type of fuse used usually will not extinguish even in water.

**BEHIND THE HEADLINES:  
AT BEIT SHE'AN, AN ANCIENT SITE  
BRINGS NEW HOPES FOR THE FUTURE**  
By Michele Chabin

BEIT SHE'AN, Israel, Oct. 12 (JTA) -- Situated about 20 miles south of the Sea of Galilee and within hiking distance of the Jordanian border and the soon-to-be opened border crossing between Israel and Jordan, this town of 15,000 is banking on tourism to ensure its future.

A poor, underprivileged development town just 10 years ago, Beit She'an has spent the past decade developing a tourism industry around its one resource: an ancient Roman-Byzantine city boasting 20 layers of civilization going back to the 5th century B.C.E.

Arguably the most exciting archaeological site in Israel today, ancient Beit She'an was located on the great caravan route linking Damascus to Egypt.

According to Jewish tradition, the Philistine rulers of the city displayed the bodies of Saul and his sons on its walls after they were killed in the Battle of Mount Gilboa. King David conquered the city, which later became one of the administrative centers of Solomon's kingdom.

During the 1920s and 1930s, archaeologists uncovered finds dating back to the period of Egyptian rule over Canaan during the 16th to 12th centuries B.C.E.

In subsequent excavations, most notably those undertaken by the country's Antiquities Authority since 1984, archaeologists have found magnificent buildings and statuary from the Greek, Roman and Byzantine periods.

At the end of the fourth century C.E., the city became the capital of the province known as Second Palestine. Two centuries later, its population reached 30,000 to 40,000. Then, in the first half of the seventh century, when the city was in Muslim hands, it was leveled by an earthquake.

Although ancient Beit She'an had an illustrious past, its modern incarnation was, until recently, an impoverished town with a bleak future.

**Built On A Shoestring**

Like other development towns built in the early years of the state to accommodate new immigrants, modern Beit She'an suffered from high unemployment and low self-esteem.

Built on a shoestring, much of the town became a slum. Anyone visiting the area 10 years ago found a hot, dusty, litter-strewn community where residents, mostly poor immigrants from North Africa, crowded into substandard housing, with little chance of getting ahead.

Today, visitors get a very different impression. Most of the dust and dirt are gone, replaced by green parks and cool, inviting fountains.

Though the ugly apartment complexes remain, many have been repainted and renovated. Better, newer homes have also been built -- including a section of large, expensive private houses -- reflecting the higher standard of living that many residents now enjoy.

This startling transformation, which has relied heavily on the continued excavations of the 400-acre archaeological site, is no accident.

According to Shulamit Kaminsky, assistant project director of the city's Tourist Development

Authority, "This project has been 10 years in the making."

Back in the mid-1980s, Kaminsky said, "the government was looking for a way to help Beit She'an get on its feet. The first priority was finding jobs, since there was not much local industry. By looking at the town's resources, it came up with the idea of turning the ancient city into a main tourist attraction."

To accomplish this goal, the government in 1986 enlisted the assistance of five public bodies and established the Tourist Development Authority.

Funded in large part by the Finance Ministry, the participants -- including the Ministry of Tourism, the town council, the Antiquities Authority, the Parks Authority and the Jewish National Fund -- formulated an ambitious plan to promote the archaeological site and the town that houses it.

Realizing that tourists will not visit a site until it is excavated, the authority earmarked a large percentage of its \$6 million annual budget for excavation and restoration work. The remainder of the funding went, and continues to go, toward building the kind of infrastructure needed to accommodate up to a million tourists a year.

"From the beginning, we realized that tourists expect certain services when they visit a site like this," Kaminsky said.

**Project Renewal Helped Revive Town**

Kaminsky stressed that the development project extends far beyond the actual ruins.

After examining the level of service provided by local eateries, the authority hired a quality-control consultant from Tel Aviv, who has encouraged the restaurants around town to upgrade the quality of their food and service.

Walking around town, it is obvious that the advice has been heeded. Though still not among the fanciest of the country's restaurants, several of the local eateries have modernized both their establishments and their menus.

Thanks to assistance from Project Renewal and other programs, once barren stretches of land have been planted with grass, and a series of gurgling water channels run through the town center. The streets are immaculate.

Though much of the infrastructure will not be in place until 1996, people here say they are already seeing results.

Last year, Beit She'an attracted 250,000 tourists, 70 percent of whom came from overseas.

According to the National Employment Service, unemployment is down to about 6.5 percent -- compared to a national unemployment rate of about 8 percent -- and everyone from taxi drivers to falafel-stand owners say they are profiting.

With the new border crossing with Jordan expected to open within weeks, Gabi Mazor, director of archaeology at the site, foresees the day when large numbers of tourists will combine a visit to ancient Beit She'an with a tour of Jerash, another Roman city in Jordan built during the same period.

"Beit She'an and Jerash are sister cities," Mazor said, "and tourists who come to see one will want to see the other.

"Our proximity to the new bridge will definitely be an advantage," Mazor said.