

**CASABLANCA CONFERENCE ENDS WITH PRONOUNCEMENTS THAT BOYCOTT IS OVER**
By Naomi Segal

JERUSALEM, Nov. 1 (JTA) -- A regional economic conference in Casablanca, Morocco, concluded Tuesday, with Morocco's King Hassan II and Israeli Foreign Minister Shimon Peres declaring the Arab boycott of Israel effectively over.

Hassan closed the historic three-day conference, which brought together Arab and Israeli leaders as well as business executives from around the world, by issuing a 14-point "Casablanca Declaration."

The declaration called for a partnership between government and business to develop the economies of the Middle East and North Africa.

Despite Israeli efforts, the formation of a regional development bank was not announced, after Saudi Arabia, the United States and several European nations expressed reservations about the plan.

Instead, a staff of experts will study the proposal and submit recommendations in six months' time.

While there were few concrete developments that emerged from the conference, Israeli delegates were pleased to find themselves on an equal footing with their Arab counterparts, who have largely shunned all relations with the Jewish state since its founding in 1948.

Delegates at the conference made a general call to remove obstacles that hinder economic growth in the region. They also called for open borders between Israel and the Palestinian autonomous zones of the Gaza Strip and West Bank Jericho enclave.

Next Conference To Be Held In Jordan

Morocco's king specifically urged Israel to lift the closure on the territories, put into effect after the terrorist attack on a Tel Aviv bus last week that left 23 dead. Israel had already announced it would lift the closure by midweek.

Members of the conference set up a steering committee that will meet regularly. A second conference was scheduled to convene in Amman, Jordan, in April.

Peres said the conference, which gave Israeli and Arab business executives their first opportunity to make contact in an open forum, was proof that the Arab boycott of Israel was over.

"The boycott has died, even if it has not been formally buried," Peres told Israel Television. "The negative union for the boycott is being replaced by a positive one for economic cooperation."

The conference was also a channel for developments on the diplomatic front.

On the final day of the summit, Israel opened a liaison office in the Moroccan city of Rabat. Morocco is expected to open a similar office soon in Tel Aviv.

Peres and his Tunisian counterpart, Habib Ben Yahia, announced that the two countries would soon open liaison offices in each other's countries.

Both Morocco and Tunisia established lower-level ties with Israel earlier this year.

Peres also indicated that the Persian Gulf states of Bahrain, Qatar and Oman may be next in line to establish ties with Israel.

While the 2,000 delegates attending the conference discussed regional development projects and cooperative efforts, Israeli business executives pointed out that no major deals were signed.

They also said that on more than one occasion Arab delegates, especially the Saudis, shunned open contacts with the Israelis.

Some of the negative Arab reaction stemmed from the verbal sparring between Palestine Liberation Organization Chairman Yasser Arafat and Israeli Prime Minister Yitzhak Rabin in their remarks at the opening ceremony on Sunday.

After Arafat declared that Jerusalem would be the capital of a Palestinian state, Rabin declared that Jerusalem was, is and will remain the capital of Israel.

Jerusalem entered the picture again on the final day of the conference, when Jordan's Prince Hassan said that Jordan would eventually transfer responsibility for the Muslim holy sites in eastern Jerusalem to the Palestinians -- only after the final status of the city is determined.

Hassan later told an Israel Radio reporter that Jordan would not completely relinquish its ties to the holy sites.

He said he hoped that after Israel and the Palestinians resolve the final status of Jerusalem in negotiations set to begin in 1996, a council encompassing all groups who assert a claim over the Muslim holy sites could be formed to administer them.

"We hope we can evolve an Islamic council which is truly representative of Islam," Hassan said.

U.S. TO USE RACKETEERING LAWS TO CURTAIL FUNDING OF HAMAS
By Matthew Dorf

WASHINGTON, Nov. 1 (JTA) -- The Clinton administration has launched a campaign to stop the flow of millions of dollars from the United States to Hamas terrorists in the West Bank and Gaza Strip.

By using laws geared to combating racketeering, law-enforcement officials hope to halt an estimated \$30 million of aid now believed to be flowing freely from American Arabs to the Islamic extremist movement.

The effort comes in response to the recent spate of terrorism in Israel by Hamas militants, which claimed the lives of 22 people in a Tel Aviv bus bombing and two Israeli soldiers during a failed raid to rescue an Israeli soldier from his Hamas captors.

Justice Department officials say the U.S. government is investigating organizations in Virginia, Texas and Chicago believed to be channelling money to Hamas. The ongoing investigation began last year after Israeli officials arrested two Chicago-area Palestinians in the West Bank en

route to a base of Hamas' military wing with hundreds of thousands of dollars in cash.

Ironically, while administration officials and Israeli authorities are championing the effort, the move comes on the heels of a lenient sentence meted out to three Palestinians linked with the Abu Nidal terrorist group who were convicted in St. Louis under similar statutes.

Prosecuted under anti-racketeering laws for funneling money and intelligence information abroad, fraudulently obtaining passports, buying weapons and recruiting members for terrorist purposes, the three defendants faced up to 20 years in jail for their crimes.

They received 21-month sentences.

The Anti-Defamation League protested the sentences in a letter to Attorney General Janet Reno and asked the Justice Department to file an appeal.

'The Wrong Signal'

"At a time when international terrorist activity has significantly increased, this is precisely the wrong signal to send concerning America's commitment to resist terrorism and punish perpetrators of terrorist acts," said the letter, which was signed by David Strassler, ADL's national chairman, and Abraham Foxman, the group's national director.

There has been no word yet from the Justice Department about whether it plans to appeal the sentences. Despite the "disappointing sentence," a Justice Department official said the administration's efforts to stem Hamas funding will proceed "full force."

An eight-agency federal task force formed after the February 1993 bombing of New York's World Trade Center is feverishly evaluating new methods to strengthen U.S. law enforcement's hand in anti-terrorism efforts in the wake of the Hamas killings in Israel.

One of the primary areas under discussion is anti-terrorism legislation aimed at beefing up sentences for those who provide material support to terrorists as well as those who are actually convicted of terrorist acts.

The task force, which includes representatives from the State Department, FBI, Justice Department and White House, is also investigating how to lower the threshold -- without jeopardizing civil liberties -- under which investigations could be launched against a group or an individual suspected of supporting terrorists.

Other options under consideration include having the State Department maintain a list of organizations with patterns of support to terrorists. Modeled along the lines of the State Department list of nations that sponsor terrorism, it would enable officials to deny entry visas to foreign members of the groups on the list and to impose criminal penalties for financial support to organizations on the list.

Law-enforcement officials have already begun to investigate a number of American-Arab organizations suspected of raising money for Hamas.

The effort will include, at least initially, measures from the recently passed federal crime bill that make it illegal to give money or other material support if the donor knows it will go to terrorist causes.

But law-enforcement officials say the crime bill provisions are almost impossible to enforce

because prosecutors would have to prove that the money went to fund a specific terrorist attack.

Beginning immediately though, government officials will make use of the Racketeer Influenced and Corrupt Organizations Act, which the FBI has used successfully to stem organized crime in this country. RICO in essence declares that anyone giving money to an organization is breaking the law if that group uses the money for illegal purposes, regardless of whether that person knew how the money would be used.

An official involved with the investigation of Hamas funding said that there has been a shift of thinking in the Justice Department regarding Hamas. Until recently, American officials viewed the terrorist arm of Hamas separately from Hamas activities that provide humanitarian assistance to Palestinians in Gaza.

But officials will now consider any funds going to Hamas under the category of support for a terrorist organization. Both Justice and State Department officials involved in the effort hope to have draft legislation completed by the time the new Congress opens in January.

Terrorism experts, however, disagree on how much money and other support Hamas is gathering from the United States. As American officials forge ahead with plans to fight the extremist group, two of Israel's most senior diplomats in the United States continue to disagree on the extent of Hamas activism here.

Israel's ambassador in Washington, Itamar Rabinovich, said recently that "in the past there has been Hamas activity" in the United States.

But Israel's consul general in New York, Colette Avital, went much further, reiterating her charge in an interview with CNN last week that Hamas is currently receiving funds from Palestinians in the United States to the tune of over \$30 million.

As for the discrepancy between the two senior diplomats, an official said Rabinovich speaks for the Israeli government and that Avital has been chastised for speaking her "own personal opinions."

Rabinovich acknowledged that "money collected in the United States was transported by (the two Chicago-area men) to finance Hamas activities in the West Bank primarily. And this was not the extent of it."

But the ambassador was quick to add that "this is an American issue, and we are satisfied that the U.S. authorities are doing what they need to do in order to deal with any threats of this kind on American territory."

ISRAEL PHILHARMONIC TO VISIT CHINA

By Hugh Orgel

TEL AVIV, Nov. 1 (JTA) -- The Israel Philharmonic Orchestra will perform two first-ever concerts in China this month during a tour of the Far East, the orchestra has announced.

The Asia tour, under the baton of orchestra director Zubin Mehta, and with violinist Yitzhak Perlman performing as soloist, will open in Tokyo on Nov. 6. The first China concert will be on Nov. 23.

From China, the Israeli Philharmonic will travel on to India, where there will be concerts in New Delhi on Nov. 27 and in conductor Mehta's native Bombay from Nov. 30 to Dec. 3.

AS EXPECTED, U.S. GRANTS VISA TO RUSSIAN NATIONALIST ZHIRINOVSKY

By Jennifer Batog

WASHINGTON, Nov. 1 (JTA) -- As expected, the State Department granted a U.S. tourist visa to Russian extremist Vladimir Zhirinovskiy, and Jewish leaders around the country condemned the decision.

Zhirinovskiy is set to begin a two-week visit Friday.

"It's the wrong message at the wrong time," Rabbi Abraham Cooper, associate dean of the Simon Wiesenthal Center in Los Angeles, said in a statement.

A joint statement from the National Conference on Soviet Jewry and nine other major Jewish organizations called on Americans to condemn Zhirinovskiy's message of hate and let him know he is not welcome in America.

The State Department defended its action, saying that granting Zhirinovskiy a visa does not endorse his views or support his ambitions.

A State Department spokesman referred to the Russian's positions as "anathema."

Zhirinovskiy is scheduled to speak at the World Affairs Council in San Francisco on Nov. 7, where Jewish groups plan to protest.

The Russian opposition leader also expects to visit Florida and New York, although no public appearances had been scheduled in either place.

Offers to speak at Columbia University in New York and in Los Angeles were withdrawn in the face of increasing opposition.

A spokesman for the Russian Embassy here said Zhirinovskiy's visit was a private one and that he did not plan to visit Washington or meet with U.S. officials.

A 'One Entry Only' Visa

Tourist visas are usually good for six months, although the U.S. Immigration and Naturalization Service could limit a stay.

State Department officials described Zhirinovskiy's visa as "one entry only" and said his movement would not be restricted.

Since his election to the Russian Parliament last December, Zhirinovskiy's highly publicized hate rhetoric has included blaming Jews and minorities for Russia's problems and calling for a dictatorship.

His rhetoric has gotten him thrown out of a number of countries, and he is banned in Germany.

Jewish leaders have said they feared a U.S. visa would give the Russian nationalist leader's views legitimacy back in Russia.

"We are handing Russia's most notorious extremist the one commodity he cannot buy: political respectability," Cooper said in the Wiesenthal Center statement.

Those who signed on to the NCSJ statement include: the American Jewish Committee, the American Jewish Congress, the Anti-Defamation League, B'nai B'rith International, the Conference of Presidents of Major American Jewish Organizations.

Also, the National Jewish Community Relations Advisory Council, the Union of Orthodox Jewish Congregations of America, the Jewish Community Relations Council of Greater New York and Greater New York Coalition for Soviet Jewry.

AMERICAN JEWS ACCOMPANY CLINTON TO SYRIA TO SHOW SUPPORT FOR PEACE

By Larry Yudelson

NEW YORK, Nov. 1 (JTA) -- Two American Jewish leaders who accompanied President Clinton to Damascus last week said they went as a show of support for Clinton's efforts in the peace process.

Clinton brought a large group of Jewish and Arab Americans with him on his four-day visit to the Middle East.

But for the Syrian leg of the trip, only five accompanied him: Lynn Lyss, chair of the National Jewish Community Relations Advisory Council, Lester Pollack, chairman of the Conference of Presidents of Major American Jewish Organizations, and three Arab Americans.

For Lyss, a defining moment of the five-hour visit to Damascus came during a trip to the marketplace.

An American Secret Service man cleared the way, "just pushing people aside," she said.

The people did not protest; they seemed used to such treatment, Lyss said.

Lyss was struck by "the contrasts of the police state, and people just going about their business, just living there."

During the visit, unlike previous trips by Jewish groups such as Americans for Peace Now or Project Nishma, there were no opportunities to meet with Syrian officials.

Going To Syria To Help The President

The Jewish leaders met with American Embassy officials, and attended the news conference held by Clinton and Syrian President Hafez Assad.

Pollack said he did not feel it inappropriate to visit Syria, despite that country's continuing harboring of terrorism and Assad's failure to convince the Israeli public that he truly desires peace.

"We were going as a group of Jewish Americans and Arab Americans to help the president in his efforts to advance the peace process," he said.

"I felt we were supporting a very strong message that the peace process should go forward," he said.

Their purpose, he continued, included showing "that terror will not be tolerated and that there will be a very proactive campaign to root out terror wherever it is, and wherever it is facilitated," he said.

The two visited with one of the few remaining families of Syrian Jews, all of whom are now free to leave the country.

Four of the family's six brothers had moved to the United States, where they had established a business.

Two stayed with their families to continue their business of selling rugs, jewelry and wooden boxes.

Lyss asked how they felt about life in Damascus, now that their rabbi and 95 percent of the Jewish community had departed.

"We are waiting to see what happens with peace," replied Elli Hamadani, said Lyss.

Lyss said that the American officials they met with felt "it is just a matter of time until there is a breakthrough with Syria."

BEHIND THE HEADLINES:**SYRIAN JEWS NEWLY ARRIVED IN ISRAEL
FIND LIFE HARD, BUT HAVE NO REGRETS**

By Cynthia Mann

JERUSALEM, Nov. 1 (JTA) -- Gabi Hakim has a butcher shop on Sokolov Street in downtown Holon, where he sells spicy kubbeh and other Arab specialties, along with more standard Israeli fare.

Hakim is one of the approximately 1,260 Syrian Jews brought here from New York since April 1992, in a secret operation of the Jewish Agency for Israel. Most of the families have already bought apartments with subsidized mortgages and settled in Holon and Bat Yam, small cities near Tel Aviv.

The Israeli government recently lifted the censorship on the quiet but systematic exodus of 3,800 Jews from Syria since 1992, most of whom went to the United States. But fear and caution stubbornly persist among those who subsequently made aliyah.

In allowing Jews to leave beginning in 1992, Syrian President Hafez Assad specifically prohibited their going to Israel.

For his part, Hakim, 42, will talk to a reporter only if his real name is not used. He deeply fears reprisals in Syria, where one daughter, age 16, remains with her husband and 2-year-old child.

Nonetheless, Hakim, who sports a blood-stained apron and a black yarmulke, insisted that "life was good" in Syria. "We had good relations with the Arabs," even though "they always talked about wanting to destroy Israel."

He chose to leave, he said, because he was always a Zionist and believed Israel was "Gan Eden," the Garden of Eden. And he says he hasn't been disappointed by the reality, despite the hardships.

"I eat sand here, but there's no other place in the world like Israel," said Hakim, using a colloquialism in the Hebrew he learned in Syria. "If you've never lived outside (Israel), you can't appreciate it."

Charges Local Syrian Group Is Unresponsive

Hakim arrived with his family in Israel in June of last year, after leaving Damascus for New York in 1992. He bought an apartment six months ago.

"New York was nice, but we never thought of staying," said Hakim.

Nonetheless, he is dismayed by the high taxes and is carefully guarding his children against what he believes are the dangerous influences of modern Israeli culture.

He is also bitterly disappointed by what he charges is the unresponsiveness of the local Association of Syrian Jews.

For their part, members of the association, which is funded by the Jewish Agency but is independent, say they have been overwhelmed by the demands of the immigrants and are doing the best they can.

"There is a problem," said Moshe Sasson, former Israeli ambassador to Egypt and now volunteer president of the association. He says there are now not enough resources to meet all the needs of the community.

"There is a proverb in Arabic, that you

stretch your legs according to the length of your mattress, and our mattress is short," Sasson said.

He added that he would like to see the current budget of about \$60,000 increased to \$500,000.

He says the organization has recently undertaken a survey of every new Syrian immigrant family to determine its problems and needs.

He will use the results, expected in a few weeks, to request more funding from the Jewish Agency.

"The Jewish Agency and the Absorption Ministry have worked hard to put together 'combination packages' of assistance that meet the basic needs of every Syrian family," said Arnon Mantver, director-general of the Jewish Agency's Department of Aliyah and Klitah (Absorption).

"The Association (of Syrian Jews) is supposed to soften the landing," he said. But he concedes the ground is rocky.

The immigrants must cope with the "immediate tension" posed by the large size of their families and the small incomes of many who have opened small businesses.

He also said the secrecy that has enveloped their aliyah until now has inhibited the full coordination of resources and agencies that could accelerate their absorption.

More Benefits For Syrians Than Soviet Olim

In fact, the immigrants from Syria receive more absorption benefits than those from the former Soviet Union, based on a policy adopted by an interministerial committee headed by Shimon Sheves, director-general of the Prime Minister's Office.

The policy reflects a recognition of the special hardships the Syrian community underwent to get out of Syria and the restrictions placed on the money and property they could bring out, according to a spokeswoman for the Absorption Ministry.

Ninety percent of the families have already bought apartments, while fewer than 100 people remain in the absorption centers run by the Jewish Agency, noted Mantver.

"Their motivation to be absorbed is very strong," said Naomi Behm, a Jewish Agency-employed social worker at the absorption center in Ra'anana. "They are not spoiled. They want to work and have their two feet on the ground. And they help each other within the community."

Zion Zelta, 36, is newly arrived and already installed with his family in their own apartment in Holon. Zelta says he waited 12 years to come to Israel and left everything behind.

"It is hard for us here," he admitted, "but we have to get used to it," he said.

At the same time Zelta bemoans the lack of religiosity in Israel.

The spirit of the Jewish holidays was stronger in Syria, he says.

"I thought everyone was religious here," he said. "But they don't know anything, and they barbecue on Shabbat!"

His wife Simcha, 29, is sometimes nostalgic for Damascus. "There were Muslims in my building who were nice to us and cried when we left," she recalled.

"Still, I don't really know what they were thinking (about us) inside. God forbid they should know we were coming to Israel," she said.