



NEWS AT A GLANCE

■ **President Clinton asked Congress to maintain current levels of foreign aid to Israel and Egypt.** In his proposed budget, Israel would remain the largest recipient of U.S. foreign aid, getting \$3 billion in direct assistance. Clinton also proposed increasing Jordan's military aid to \$30 million, up from \$7 million last year.

■ **Israel and Jordan finalized a tourism agreement and initialed the liaison and coordination arrangements between the countries' military forces.** The committee overseeing implementation of their peace treaty met in Dir Ala, Jordan. [Page 2]

■ **Sidig Ali, the alleged mastermind in the plot to bomb the United Nations and other New York landmarks, pleaded guilty in a U.S. District Court.** In a statement, he implicated his 11 alleged co-conspirators, including the group's spiritual leader, blind cleric Sheik Omar Abdel-Rahman. In addition to charges that they targeted the United Nations and New York bridges and tunnels, the Muslim defendants are charged with helping to plan the February 1993 bombing of the World Trade Center. They are also accused of involvement in the November 1990 assassination of Rabbi Meir Kahane.

■ **In a private audience with Pope John Paul II, leaders of the American Jewish Committee urged him to issue a formal encyclical against anti-Semitism.** AJCommittee President Robert Rifkind said such a papal doctrinal statement would "represent an enduring contribution to human welfare and a crowning achievement of your ministry." [Page 3]

■ **The U.S. Embassy in Tel Aviv recommended that its employees avoid Israeli public transportation, a response to a terror attack at a bus station that killed 21 Israelis last month.** Israel Television reported that the ban was ordered in a letter issued Jan. 23, one day after the suicide bombing near Netanya.

■ **The Palestine Liberation Organization called on the U.N. Security Council to take action against Israel for its settlement activity.** Israeli diplomats said the letter is unlikely to lead to any action. [Page 4]

NEWS ANALYSIS

To move or not to move? Embassy debate rages again

By Matthew Dorf

WASHINGTON, Feb. 6 (JTA) — Should the United States move its embassy in Israel from Tel Aviv to Jerusalem? Once again, the issue is dividing politicians, diplomats and activists.

For years, pro-Israel forces have joined Congress in urging four presidents to move the U.S. Embassy as an acknowledgment that Jerusalem is the capital of Israel.

Like most countries, the United States has never officially recognized Israel's decision after the 1967 Six-Day War to declare a unified Jerusalem as its capital. With its embassy in Tel Aviv, the U.S. government maintains consulates in Jerusalem.

Although nearly unanimous in their support for such a move in the past, some pro-Israel forces — along with the Israeli and U.S. governments — are now urging caution.

The issue, they say, is complicated by the peace process under way between Israel and the Palestinians.

A move to Jerusalem at this time, according to many pro-Israel activists here, could spell the end to the delicate Israeli-Palestinian talks.

These activists worry that moving the embassy now could force the Palestinians to walk away from the bargaining table.

At the same time, however, these activists express concern that keeping the embassy in Tel Aviv could strengthen the Palestine Liberation Organization's hand when the final status of Jerusalem becomes an issue at the negotiating table.

Opponents of the peace talks with the Palestinians, meanwhile, have seized on the Jerusalem issue, hoping that a move of the embassy would cause the peace talks to falter. With this in mind, two of the Senate's most pro-Israel legislators entered the political minefield last week when they urged the Clinton administration to move the U.S. Embassy to Jerusalem.

'Inappropriate message to our friends in Israel'

Sens. Daniel Patrick Moynihan (D-N.Y.) and Alfonse D'Amato (R-N.Y.) began circulating a letter last week to enlist support from their colleagues. In the letter intended for Secretary of State Warren Christopher, the senators declared that the "U.S. Embassy belongs in Jerusalem."

"Israel is the only nation in which our embassy is not located in the functioning capital. This is an inappropriate message to our friends in Israel and, more importantly, a dangerous message to Israel's enemies," they said in the letter.

And even though the senators are calling for a move, their letter seeks to slow the pace on the embassy issue by deferring the move, urging action "no later than" May 1999, when Israel and the PLO are scheduled to complete their final-status talks.

"It would be most appropriate for planning to begin now to ensure such a move no later than the agreements on 'permanent status' take effect and the transition period has ended, which according to the Declaration of Principles is scheduled for May 1999," the letter states.

The United States purchased a plot of land in Jerusalem in October that many speculated would serve as the site of a future embassy.

At the time, State Department officials refused to specify whether the land was for an embassy or a new consulate. The land would be for "diplomatic use" where a "very senior diplomat" would live, they said.

By presenting the issue within the time frame of the final-status negotiations, the senators are hoping to head off those who are advocating an immediate relocation of the embassy, observers and aides to the senators said.

The senators' letter seeks to "differentiate between the people who genuinely want to be part of the struggle [to move the embassy] and a handful of rabble-rousers trying to use this as an issue to derail the peace process," said a senior aide to Moynihan.

The aide said the senator was particularly concerned about Jewish activists who are lobbying members of Congress to push the issue now.

The letter recalls Israeli Prime Minister Yitzhak Rabin's recent

address to the Knesset in which he said "Jerusalem will not be open to negotiation."

"United States policy should be equally clear and unequivocal," the letter states. "The search for peace can only be hindered by raising utterly unrealistic hopes about the future status of Jerusalem among the Palestinians and understandable fears among the Israeli population that their capital may once again be divided by cinder block and barbed wire."

Israel Foreign Minister Shimon Peres reiterated the Israeli position that Jerusalem is the undivided capital of the Jewish state at a news conference prior to a speech before the National Jewish Community Relations Advisory Council annual plenum here Sunday.

Although he refused to address directly congressional activity regarding the U.S. Embassy, he said that it is "our obligation" to the Palestinians to hold off discussions about Jerusalem until final-status talks.

From the Palestinians' perspective, the embassy is a "make or break issue for the peace process," according to Nabil Sha'ath, the PLO's chief negotiator and minister for planning.

Speaking via satellite to the NJCRAC plenum, Sha'ath said that moving the embassy would "destroy confidence in the United States as a real sponsor" of the peace process.

Sha'ath called for a "shared but not divided" Jerusalem to serve as the "capital of two future countries."

Clinton administration warns against public stands

Congress has tried to force four presidents to move the embassy. Although many presidential candidates promised during their campaigns to support a move of the embassy, they backed down when they got to office in deference to the peace process and in deference to U.S. relations with Arab states.

As recently as last week, the administration argued against taking public stands on moving the embassy.

Martin Indyk, a special assistant to President Clinton for the Middle East and ambassador to Israel-designate, urged senators at his confirmation hearings not to tackle the issue of Jerusalem.

Any move now "would explode the peace process," Indyk said.

"Frankly, it would put us out of business as a facilitator of those negotiations.

"The parties themselves have agreed to deal with this issue in May of next year," he said. "I think we should not take any action until we've seen the results of those negotiations."

Sen. Dianne Feinstein (D-Calif.) agreed with Indyk at the hearing.

"To throw any kind of a time bomb into these negotiations at this point would be unwise," she said.

But Sen. Hank Brown (R-Colo.), who chaired the hearing, said he supported a more imminent move.

"For people to be able to name their own capital is a very modest portion of sovereignty," the senator said.

Sen. John Kyl (R-Ariz.) has also joined the fray. Speaking at a recent B'nai B'rith board of governors meeting, the senator said, "Since there never is a good time to do it, now is a good time to do it."

Reps. Charles Schumer (D-N.Y.) and Benjamin Gilman (R-N.Y.), chairman of the House International Relations Committee, are apparently planning to circulate in the House a letter similar to the Moynihan-D'Amato one later this month.

Speaker of the House Newt Gingrich also chimed in on the embassy debate recently, telling Israeli television that he "strongly favors moving the American Embassy."

"I think it is absurd for us to single out Israel as a

country where we define what we think the capital should be," he said.

Some pro-Israel activists said the Moynihan-D'Amato letter is important in that it takes into consideration the peace process and leaves open a variety of options. What is essential, many said, is that the administration make a commitment to moving the embassy.

Steve Grossman, president of the American Israel Public Affairs Committee, said he "enthusiastically" supports the senators' initiative.

"The unity of Jerusalem as Israel's capital is a matter of the highest principle and priority to the Jewish people and to all friends of Israel," he said.

At least one activist, however, said the senators' letter did not go far enough.

"Move the embassy now," said Morton Klein, president of the Zionist Organization of America.

"Who knows what it will be like in five years," he said of the Middle East. □

Israel, Jordan finishing pacts on trade, tourism and military

By Naomi Segal

JERUSALEM, Feb. 6 (JTA) — Israel and Jordan finalized a tourism agreement and initialed the liaison and coordination arrangements between the countries' military forces.

The committee overseeing implementation of the Israeli-Jordanian peace treaty met in Dir Ala, Jordan, on Monday. Members received a progress report on talks and negotiations toward finalizing agreements on trade, transportation and military liaisons.

Jordan and Israel also broke new ground Sunday, when a delegation of 29 Knesset members of all political stripes flew aboard a Jordanian airplane from Tel Aviv to Jordan to attend a banquet hosted by King Hussein at his palace near Amman.

Both the landing of a Royal Jordanian jet in Israel and the visit were unprecedented, Israel Radio said.

Hussein had arranged the visit to help advance Israeli-Jordanian relations.

The head of the contingent, Knesset Speaker Shevach Weiss, said he brought the king a Bible as well as a gift of gold medallions.

"In a way it symbolizes our historic record," Weiss told Israel Radio. "We are all sons of Abraham."

Weiss said he had a difficult time choosing the delegation, because so many parliamentarians wanted to make the trip. He said he assembled the group from those Knesset members who had official roles in the Parliament or its parties.

Islamic fundamentalists denounced the visit. □

Israel's new energy minister may be investigated for fraud

By Naomi Segal

JERUSALEM, Feb. 6 (JTA) — Israel's attorney general last week recommended that police investigate newly appointed Energy Minister Gonen Segev.

Israel Television reported that Attorney General Michael Ben-Yair instructed police to question the minister over allegations that Segev, a medical doctor, had signed fraudulent medical certificates for Holocaust survivors and their families in order to help them gain admission to facilities at the Tiberias hot springs.

Segev, along with his colleague from the Yi'ud Party, Alex Goldfarb, recently joined the coalition after breaking away from Tsomet, a right-wing secularist opposition party. □

Peres, Netanyahu and Sha'ath offer different visions of peace

By Matthew Dorf

WASHINGTON, Feb. 6 (JTA) — Two of the chief architects of the Israel-Palestinian peace agreement and one of its leading opponents offered sharply different visions this week for the future of relations between Israel and the Palestine Liberation Organization.

One after the other, Israeli Foreign Minister Shimon Peres; Nabil Sha'ath, minister of planning for the Palestinian Authority; and Likud party leader Benjamin Netanyahu addressed some 800 people gathered for the opening sessions of the National Jewish Community Relations Advisory Council's annual plenum here on Sunday.

Speaking after a standing ovation, Peres called on American Jews to extend "clear and unwavering" support for the peace process. Israel is waging a "battle for peace" in the face of terrorism, the foreign minister said.

"We have to fight for peace as we fight to win wars," he said. "We need to fill the political framework of peace with economic progress."

The people of the Middle East need to be shown that "peace is not just a ceremony of politicians," he added.

Peres also called on the PLO to "give a 100 percent effort to combat terrorism."

"We don't expect 100 percent results, only effort," Peres said. "We demand a more concerned reaction."

In addition to NJCRAC delegates, ambassadors from Egypt, Jordan, Morocco, Tunisia and Qatar and the Washington representative of the PLO attended the Peres and Sha'ath speeches.

In contrast to Peres' plea for continued support for the peace process, Netanyahu called for an immediate halt in negotiations with the PLO and a reworking of the accords with the Palestinians.

Netanyahu, who has been topping Prime Minister Yitzhak Rabin in recent opinion polls among the Israeli public, received a standing ovation from about one-third of the plenum delegates when he called for an overhaul of the peace process.

Netanyahu called Yasser Arafat's Palestinian Authority a "dictatorial regime" and labeled its police force "terrorists."

'The creation of a huge terror base'

The peace process is "leading to the creation of a huge terror base" in the West Bank that amounts to the "planting of a huge bomb in the Middle East that will explode on all of us," he said.

Netanyahu dedicated about half of his 45-minute speech to the issue of Jewish continuity and called for funding for every American Jewish teen-ager to be able to visit Israel for two weeks at no cost.

The third speaker, Sha'ath, speaking to the assembly via satellite from Cairo, called for a dramatic shift in the negotiations between Israel and the Palestinians.

Sha'ath called for an immediate jump to the final-status negotiations. The time has come to "move boldly from the interim to the final-solution" talks, he said.

The Declaration of Principles specifies a two-year period of limited Palestinian self-rule before negotiating the final status of the territories.

Among the issues to be addressed in final-status negotiations, slated to begin in May 1996, are Jerusalem and Jewish settlements.

Sha'ath acknowledged that the Palestinian Authority needs to "attempt to and do more to combat terrorism,

despite the problems that we face" because that is "what is most important to Israel."

"It is important that we protect Israeli security as much as our own in order to get our own freedom," Sha'ath said.

Sha'ath called on Israel to end the closure on the West Bank and Gaza Strip imposed after the Beit Lid Junction bombing last month in which 21 Israelis died.

He also called for an end to Israeli settlement building in the West Bank.

Sha'ath also reiterated the PLO pledge to amend its covenant, which calls for the destruction of Israel. □

AJCommittee leaders urge pope to issue document on anti-Semitism

By Ruth E. Gruber

VATICAN CITY, Feb. 6 (JTA) — Leaders of the American Jewish Committee, during a private audience with Pope John Paul II this week, urged him to issue a formal encyclical against anti-Semitism.

AJCommittee President Robert Rifkind, in addressing the pope, said such a papal doctrinal statement would "represent an enduring contribution to human welfare and a crowning achievement of your ministry."

The Jewish delegation and the pope stressed that implementation of recent positive developments in Jewish-Catholic relations remained a challenge for the future. The Jewish leaders also urged the pope to join in common efforts to combat Holocaust revisionism and international terrorism.

Rifkind said: "It will take trust and faith."

The AJCommittee group met with the pope to commemorate the 30th anniversary of the Second Vatican Council and the Council's *Nostra Aetate* Declaration, which promoted dialogue with the Jews and rejected the centuries-old position that Jews bore guilt for Christ's death.

During the 45-minute audience, Rifkind told the pope that the AJCommittee was "gratified" by the strides made in Jewish-Catholic relations over the past 30 years and praised the pontiff's personal efforts in combatting anti-Semitism.

But Rifkind expressed "deep concern" over the revival of xenophobia, ethnic hatred and anti-Semitism in Europe since the collapse of communism.

"We welcome the church's strong stand and the vigorous exercise of your teaching office in actively opposing these manifestations of anti-Semitism," Rifkind told the pope.

"Indeed, I urge you to consider the publication of an encyclical affirming the church's opposition to all forms of anti-Semitism," he said.

Noting that this year marks the 50th anniversary of the end of World War II and the Holocaust, Rifkind said, "We cannot fail to express our profound alarm at the campaign in some quarters to rewrite history, to falsify facts, to minimize the utter depravity of what was done, to rehabilitate the reputations and polish the records of those who combed the continent of Europe to find the human fuel for the fires of Auschwitz."

Rifkind did not, however, bring up any specific case, such as the controversial awarding of a Vatican knighthood last year to former Austrian President Kurt Waldheim, who has been accused of covering up World War II Nazi involvement. But he urged the pope to open Vatican wartime archives relating to the Holocaust for joint study by Jewish and Catholic historians.

"As we look to the future, there is an urgent need for us to continue building on the foundations already laid," the pope said. □

Terrorists strike again as Cabinet extends closure

By Naomi Segal

JERUSALEM, Feb. 6 (JTA) — One day after Israeli officials extended the closure of the territories in an effort to quell the latest wave of terror, Palestinian militants struck again.

One Israeli security guard was killed and another seriously wounded Monday when Palestinian gunmen ambushed a civilian convoy that was escorting two fuel tankers in the Gaza Strip.

Both the Hamas fundamentalist group and the Democratic Front for the Liberation of Palestine initially claimed responsibility for the attack, which occurred near the Nahal Oz border crossing between Israel and Gaza. But Hamas later denied any involvement.

The gunmen reportedly riddled the car with automatic fire at close range. Some bullets pierced the car's windshield, instantly killing Yevgeny Dromov, 32, of Ashkelon.

Israeli and Palestinian security personnel accompanying the convoy opened fire on the gunmen, who sped into an orchard and escaped.

The Israel Defense Force sealed off the area. Palestinian police searched for the attackers.

Elsewhere in Gaza, Palestinians demonstrated near an IDF roadblock to protest the closure Israel imposed on Gaza and the West Bank in the wake of the Jan. 22 double suicide bombing near Netanya that claimed the lives of 21 Israelis.

The closure has prevented tens of thousands of Palestinians from reaching jobs within Israel.

On Sunday, the Cabinet agreed to loosen some restrictions for humanitarian needs, such as granting free passage to doctors and teachers and allowing essential goods to reach Palestinians.

Palestine Liberation Organization Chairman Yasser Arafat condemned Monday's attack, calling it an economic blow to the Palestinian people — a reference to the Israeli-imposed closure.

"The terrorists are playing a dirty war against the Palestinian people and the peace process," Arafat said.

According to Israeli news reports Sunday, Palestinian security forces prevented four terror attacks from being carried out since the Jan. 22 bombing.

The issue also promised to be high on the agenda of a meeting scheduled for later this week between Prime Minister Yitzhak Rabin and Arafat.

"I believe it [the Palestinian Authority] can do more against terror," Rabin told reporters Monday.

"The problem is the degree of effort and determination the Palestinian Authority invests in the war against terror."

The Israeli Cabinet decided last week that it would not lift the closure on Gaza until the Palestinian leadership lived up to the security commitments spelled out in the self-rule accord it signed with Israel. □

Rabin, Commerce Secretary Brown meet to discuss trade, development

By Naomi Segal

JERUSALEM, Feb. 6 (JTA) — A delegation of American business leaders led by Commerce Secretary Ron Brown held meetings here aimed at strengthening trade relations between the United States and Israel and encouraging regional development to further the peace process.

"I think it is important for us to look to the future in terms of how we can work together to create an environment for regional economic development," Brown told

reporters after meeting with Prime Minister Yitzhak Rabin and other Cabinet ministers Sunday.

Rabin told Brown during their meeting that 40 percent of the Palestinian gross domestic product is derived from work performed in Israel, a situation that prevents the Palestinians from building their own economic infrastructure.

Rabin proposed as a solution the construction of industrial areas in the Gaza Strip and West Bank along Israel's borders.

Brown said the closure of the territories imposed by Israel after the Jan. 22 terror attack at Beit Lid Junction was "economically devastating" to the Palestinian economy. But he added, "We certainly understand the concern for security."

He said Monday that ongoing terror attacks against Israelis were creating an obstacle to both the peace process and regional economic development.

"Investors want a certain comfort level," he told reporters. "They want to know that their investments are safe."

Brown said he would raise the issue of terrorism during talks he has scheduled with Palestine Liberation Organization Chairman Yasser Arafat.

Also Monday, Brown participated in a meeting of the U.S.-Israel Science and Technology Commission, which he established one year ago with Israeli Trade Minister Michael Harish to encourage hi-tech research and development in both countries.

At a news conference in Jerusalem, Brown and Harish announced the recipients of research grants from the commission.

The commission has promised to cover about half the estimated \$24 million costs of the projects, which are being run by American and Israeli companies.

The three projects chosen from more than 100 submissions were in nuclear medicine, renewable solar energy and a project for the cultivation of marine life.

Also, Israel and the United States recently marked the 10th anniversary of their free-trade pact. □

PLO asks U.N. to stop settlements

By Larry Yudelson

UNITED NATIONS, Feb. 6 (JTA) — A Palestinian call for U.N. Security Council measures against Israel is unlikely to lead to any action, according to Israeli diplomats here.

The Palestine Liberation Organization last week circulated a letter asking the Security Council to "take quick and concrete action to bring an effective end to all settlement activities by Israel" in the administered territories.

The letter, addressed to Secretary-General Boutros Boutros-Ghali, was signed by Nasser al-Kidwa, the PLO's observer here. Kidwa did not formally request a Security Council meeting.

On Monday, Israeli Foreign Minister Shimon Peres told diplomats here that current activities in the settlements are not a matter to be negotiated between Israel and the PLO.

Peres addressed ambassadors and representatives from 24 countries, as well as eight undersecretary-generals. The group included all 15 members of the Security Council, six Arab ambassadors and Kidwa.

Peres explained that Israel is sticking to its policy of not building new settlements, not confiscating land for settlements and not building apartments in existing settlements with government funds.

He added that construction in Jerusalem would continue. □