



NEWS AT A GLANCE

■ Israel kicked off the 17-month Jerusalem 3000 festivities marking three millennia of the city's history. Opening ceremonies were held near the Old City and at the Knesset, followed by fireworks and music at the Israel Museum.

■ A legislative initiative aimed at severely restricting the advocacy activities of not-for-profit organizations is deeply troubling to Jewish organizations that receive federal grants. The measure, adopted by the House of Representatives, could be considered by the Senate this month. [Page 1]

■ The Israeli Embassy in China hosted a reception for 100 Jewish delegates attending the fourth U.N. World Conference on Women in Beijing. Israeli Labor and Social Welfare Minister Ora Namir said the group was more warmly received than at the previous three conferences.

■ An Israeli army reserve officer was shot dead by Palestinian police after driving through a roadblock in the Gaza Strip. Israeli and Palestinian police officials said they believed that the man had wanted to commit suicide. [Page 4]

■ Israeli Foreign Minister Shimon Peres visited Kazakhstan in an effort to strengthen relations between the two countries. During the visit, Peres also met with the Jewish community in the largely Muslim country. [Page 4]

■ On the eve of the second anniversary of the signing of the Palestinian self-rule accord, difficulties plague the negotiations for reaching an interim phase agreement on extending self-rule in the West Bank. Among the issues dividing Israel and the Palestinians are security arrangements and control over electricity grids. [Page 3]

■ Israeli Foreign Minister Shimon Peres rejected a Syrian claim that Jerusalem is responsible for the current impasse in the Israeli-Syrian peace negotiations. Syrian President Hafez Assad, speaking in Cairo, said he doubted any progress would be made in the Israeli-Syrian negotiations in the near future.

Federal grants to Jewish groups threatened by anti-lobbying bill

By Matthew Dorf

WASHINGTON (JTA) — Department of Housing and Urban Development officials and elderly housing activists from B'nai B'rith meet to discuss the department's planned radical restructuring of its low-income elderly housing program.

After a series of meetings, the Jewish activists succeed in persuading top HUD officials to scale back some of the proposed changes that were potentially most damaging to the program.

This advocacy effort is just one of thousands of meetings Jewish activists hold with federal officials each year on public policy matters of concern to the Jewish community.

But a congressional initiative, already adopted by the House of Representatives and expected to come before the Senate, will place the ability of not-for-profit activists to engage in public policy advocacy in jeopardy.

The House of Representatives passed a measure last month that would severely restrict organizations that receive any federal grant money from engaging in "political advocacy." The bulk of groups receiving federal grants are in the not-for-profit sector.

The House measure defines advocacy as including mailings for grassroots activity, providing information to the government, letters to elected officials, participating in court cases by filing friend-of-the-court briefs and joining coalitions.

The House measure limits organizations that receive federal money to spending no more than 5 percent of the first \$20 million of their budgets on advocacy, and up to 1 percent of any portion of their budget that exceeds that figure.

Jewish community activists view the measure as designed to stifle advocacy and lobbying by nonprofits.

"This measure will have a chilling effect on the Jewish community and a devastating effect on B'nai B'rith because of the definition of advocacy," said Reva Price, associate director of the B'nai B'rith Center for Public Policy, which runs more than 30 buildings under HUD's elderly housing program.

Almost all Jewish federations across the country receive federal grant money in some form.

CJF studying legislation's impact

Although Jewish officials say no federation now spends more than 5 percent of its budget on advocacy, the Council of Jewish Federations is studying what the impact would be on individual federations if the measure became law.

The measure "seeks to muzzle free speech and close channels between local groups and elected officials," said Joel Carp of the Chicago Jewish Federation, one of the largest recipients of federal money in the Jewish community.

"They are talking about destroying the nonprofit community," Carp said. "This is a disaster because it undermines the basic principles of democracy."

In addition to the federations and B'nai B'rith, the Hebrew Immigration Aid Society, Jewish Vocational Service and Jewish Family Services receive millions of dollars each year in federal grants.

Proponents of the measure assert that nonprofits in effect use federal grant money to lobby the government. Nonprofits should choose between providing services and advocacy, they say.

Rep. David McIntosh (R-Ind.), one of the sponsors of the House measure, charged that tax dollars are "paying special interest lobbyists to walk the halls of Congress and executive branch agencies."

McIntosh joined Reps. Ernest Istook (R-Okla.) and Robert Ehrlich (R-Md.) in introducing the measure to end what they termed "welfare for lobbyists."

Jewish activists who depend on federal grant money to run certain programs argue that the measure amounts to an unconstitutional "gag rule."

Current Internal Revenue Service regulations limit lobbying by

nonprofits and forbid grant recipients from spending any federal money on lobbying.

These restrictions would be tightened further under the House measure, which expands the definition of lobbying to include almost all forms of advocacy.

Even federation-sponsored newspapers would fall under the definition of advocacy.

"I would not want to make the case that they weren't," Price said of Jewish newspapers affiliated with federations.

The measure also counts advocacy on the local and state level against the 5 percent an organization could spend.

The definition of political advocacy is so broad that it would limit what organizations do, said Diana Aviv, director of the Council of Jewish Federations Washington Action Office.

"There are many activities you won't engage in because you may need part of the 5 percent later," she said. "There will be no predictable pattern of how to engage our resources."

Although no federations now spend 5 percent of their budgets on advocacy, Jewish officials will limit their advocacy for fear of reaching the limit, according to Aviv. "The effect cannot be underestimated," she said.

Indicative of a deeply held view expressed by many Jewish activists, Aviv said, the measure to restrict advocacy by nonprofit agencies is motivated by "some in the Congress who believe the advocacy community is philosophically inconsistent with the new majority."

"Nonprofits are the least powerful lobby in the United States. We don't have the resources or the money. We are talking about the charitable sector. Why is this group being limited from the national debate?" Aviv said.

Supporters of the measure say federal grant recipients should not be doing any lobbying.

"Taxpayer-subsidized political advocacy represents pure fiscal folly and moral injustice," Marshall Wittmann, a senior fellow for congressional affairs at the Heritage Foundation, a conservative think tank, wrote in a recent study on the issue.

"There is no excuse for compelling John Q. Public to support political advocacy that he opposes. It is fiscally irresponsible and morally indefensible."

Proponents of the measure also contend that even though grant money cannot be spent on lobbying, the federal dollars free other money for advocacy.

But Jewish groups vigorously disagree.

"The government does not fund any of these groups' advocacy. It funds human services," Carp said.

"How else will elected officials at all levels of government be able to get the input and information they often request and how else will the public be able to express its views?" he said.

Nonprofits from all walks of life are uniting to fight the measure if it comes up in the Senate, which may take up the issue after returning from summer recess this week.

"Our mission as a federation is about providing services to people in critical need," Carp said. "There will be a huge fight in the Senate." □

Priebke reportedly paid \$30,000 by Italian TV for 1-hour interview

By Ruth E. Gruber

ROME (JTA) — Italian state-run television has reportedly paid accused Nazi war criminal Erich Priebke \$30,000 for a one-hour interview.

The interview, broadcast here on Aug. 31, and the reported payment heightened the controversy surrounding

the former SS captain, who is wanted by the Italian government for his alleged role in one of the worst massacres to have taken place during World War II in Italy.

The interview with Italian state-run television, known as RAI, took place as Italy continues to push Argentina for Priebke's extradition so that he can stand trial for his role in the massacre of 335 people, including 75 Jews, at the Ardeatine Caves near Rome on March 23, 1944.

A World Jewish Congress official in New York called the \$30,000 payment "blood money," adding that the actions of Italian television are a "moral outrage."

A RAI official denied that a payment was made for the interview, which took place in Priebke's home in Bariloche, a ski resort with a sizable German colony in Argentina.

In the interview, Priebke said the Roman Catholic Church made possible his 1948 escape to Argentina, where he has lived ever since.

"A Franciscan priest helped us and we obtained passports through the International Red Cross," Priebke, now 82, told RAI.

In an interview last year, Priebke said he had received indirect help from the Vatican in moving to Argentina.

But in last week's interview, he said he did not know whether the pope was aware that the church had helped him escape.

Priebke also told RAI that he had visited Italy twice since his escape, including a trip to Rome 15 years ago, when he met with another former Nazi wanted in connection with the massacre at the Ardeatine Caves.

In addition, Priebke, who also served as the deputy to Gestapo Chief Herbert Kappler during the Nazi occupation of Rome, was reportedly involved with the deportation of thousands of Italian Jews to the concentration camps.

The Argentine Supreme Court will now rule on the extradition.

On Aug. 23, an appellate court overturned the original May 4 extradition order on the grounds that the 15-year statute of limitations for murder under Argentine law expired.

After nearly five decades of quiet life in Bariloche, Priebke was tracked down last year by ABC Television, which located him with the help of the Simon Wiesenthal Center. □

(JTA staff writer Alissa Kaplan in New York contributed to this report.)

Police nab 2 Palestinians in stabbings

By Naomi Segal

JERUSALEM (JTA) — Israeli police have arrested two Palestinians accused of being involved in separate stabbing attempts on border police in Jerusalem.

Both attempts took place Aug. 30 near Likud Knesset member Ariel Sharon's apartment in the Muslim Quarter of the Old City.

In the first incident, a 21-year-old Palestinian from the Ramallah area was overpowered after he allegedly stabbed a border policeman with a large kitchen knife.

The policeman's protective gear prevented any serious harm, and he suffered only light scratches to his hand.

In the second incident, a 43-year-old woman was accused of trying to stab another border police officer after she was asked to show identification.

The woman was also subdued and taken in for questioning.

Jerusalem police officials said they did not think that the two incidents were connected. □

Fulfillment of Israel-PLO accord continues to present challenges

By Naomi Segal

JERUSALEM (JTA) — With the second anniversary of the signing of the Palestinian self-rule accord approaching, difficulties continue to plague the negotiations for reaching an interim phase agreement on extending self-rule in the West Bank.

More than a dozen issues remain unresolved in the ongoing talks between Israeli and Palestinian negotiators in Eilat.

The head of the Palestinian delegation, Ahmed Karia, put the number of problematic areas even higher.

Karia, also known as Abu Alaa, said in a weekend radio interview that there were more than 150 differences between the two sides, some of them on wording, others more substantive.

Israeli and Palestinian sources expressed doubt over the weekend that they could meet a the new deadline for a Sept. 18 signing in Washington of the interim agreement.

In August, the two sides were speaking of a Sept. 4 signing ceremony, but that date has repeatedly been pushed back.

Israeli sources hope that the ceremony will take place before Rosh Hashanah, which falls on Sept. 24.

Implementation of the next phase of the Israeli-Palestinian accord, signed in Washington on Sept. 13, 1993, has been held up, at least in part due to heightened Israeli security concerns in the wake of repeated terror attacks launched by militant Islamic groups opposed to the peace process.

After Sunday's weekly Cabinet meeting, Prime Minister Yitzhak Rabin held discussions with his "security cabinet," as well as with senior security and Foreign Ministry officials, to discuss the Israeli-Palestinian negotiations.

The "security cabinet," which oversees issues related to the still-evolving peace accord, was told of 18 points of difference still remaining between the Israeli and Palestinian sides.

Control over releases and grids

These included the questions of security provisions in the West Bank town of Hebron, who would have control over water sources and electricity grids in the West Bank, the release of Palestinian prisoners, and issues related to the holding of Palestinian elections — problems that have bedeviled the two sides for months.

Rabin and Foreign Minister Shimon Peres made a surprise visit to Hebron Monday to examine firsthand security options in the West Bank town.

Israel has indicated a willingness to redeploy its troops from certain areas of the town that have no Jewish presence, but said it would retain control of routes that cut through the city in order to ensure safe passage for some 400 Jewish residents.

Meanwhile, in the Gaza Strip, Palestine Liberation Organization leader Yasser Arafat called on his negotiating team Sunday to speed up the negotiations.

Palestinian sources reportedly said after a Sunday meeting of the leadership of the Palestinian Authority that they had discussed a proposal by U.S. Middle East peace envoy Dennis Ross to move the negotiations to Washington.

Last week, in an effort to expedite the negotiations in Eilat, Israeli ministers joined the talks.

Israeli Police Minister Moshe Shahal reported after an Aug. 30 meeting that there had been some progress on a number of divisive issues. Shahal said Abu Alaa had agreed that the Palestinian Authority would operate only in

areas under its jurisdiction, currently the Gaza Strip and West Bank Jericho enclave.

Last week, prior to meeting with Abu Alaa, Shahal issued an order that three Palestinian institutions in eastern Jerusalem close down because of their alleged links to the self-rule government.

Under a compromise reached 24 hours before the closure orders were to take effect against the Palestinian Health Council, the Palestinian Broadcast Authority and the Palestinian Statistics Center, the three institutions expressed their willingness to sign declarations that they have no ties, financial or otherwise, with the Palestinian Authority.

On Aug. 31, the Palestinian Health Council signed the declaration, and the Palestinian Broadcasting Authority said its Jerusalem office served private business interests and was not connected to the self-rule government.

On Sunday, the Palestinian Center for Statistics in eastern Jerusalem signed the declaration. By signing the declarations, the three institutions were allowed to stay open, and the closure orders expired without taking effect.

In another sign of slight progress, Shahal also said last week that the two sides had agreed to set up a telephone hot line between the heads of their respective police forces and to cooperate in criminal investigations.

Another source of friction was removed when Israel lifted its closure of Jericho. Rabin had sealed off the self-rule enclave from the rest of the West Bank a week earlier, after two Hamas members wanted in connection with the Aug. 21 suicide bus bombing had fled there.

Despite these signs of progress, the talks in Eilat remained bogged down over the series of issues still in dispute. Energy Minister Gonen Segev, who joined the talks along with Shahal last week, discussed one of those issues — electricity in the West Bank — saying that the problem stemmed from the Palestinian demand for sole control over West Bank power grids.

"I said to the Palestinians that they can operate the grids in cooperation with us, but they can't have ownership," Segev told Israel Radio. "Especially the high-voltage grid." Segev said the high-voltage grid supplies power to army bases throughout the West Bank, stressing that it is hooked up to the Israeli system.

During a brief meeting in Italy last week, Peres and Arafat held informal talks in an effort to iron out some of the unresolved issues. Peres and Arafat met for 50 minutes last Friday at Cernobbio in northern Italy, where both were attending a private symposium of businessmen and political leaders.

Revealed a secret

At a news conference in Cernobbio, Peres revealed that Israeli and Palestinian delegations had held secret negotiations in Italy in June.

He would not disclose the venue, saying that further talks could take place there, so it had to remain secret. Peres told the news conference that the negotiations could be completed by the end of the month, though there was "still a lot to be done" in the overall peace process. "The second phase of negotiations with the Palestinians should be completed this month, and we'll need several months to implement the accord," he said.

The chief problem is the negotiations with Syria and Lebanon, "which are going very slowly," he said.

Peres also said he hoped that Palestinian elections could be held by the year's end.

Arafat, in a speech to the Cernobbio symposium of business and political leaders, blamed Israel for the slow pace of the self-rule negotiations and warned that delays could breed dangerous reactions. □

(JTA correspondent Ruth E. Gruber in Rome contributed to this report.)

Israel to send generals to U.S. to boost support for peace talks*By Daniel Kurtzman*

WASHINGTON (JTA) — The Israeli government will send a group of retired generals to the United States in upcoming weeks in an effort to bolster American Jewish and congressional support for the peace process.

The generals will devote most of their time to explaining security arrangements negotiated with the Palestinians to members of the Jewish community.

Some members of the Jewish community "are not fully aware of the details of what's going on and deserve to be briefed," according to an official at the Israeli Embassy.

The embassy is organizing the visit.

Eight retired Israeli generals who are supportive of the peace process will visit 15 cities as they crisscross the country.

The visit is timed to coincide with the expected signing of an agreement between Israel and the Palestine Liberation Organization to expand Palestinian self-rule in the West Bank.

The White House is currently planning a Sept. 18 Rose Garden signing ceremony for Israeli and PLO officials.

However, reports from Eilat, where Israeli and Palestinian negotiators are striving to conclude the agreement, indicate that more time may be needed.

The visit of the generals comes at a critical time because Congress will be considering the renewal of legislation that allows U.S. funds to flow to the Palestinian Authority.

The measure, known as the Middle East Peace Facilitation Act, is due to expire at the end of the month.

The generals' visit also comes on the heels of a similar showcase of hawkish Israeli reserve generals who recently came to Washington at the invitation of the Jewish Institute for National Security Affairs.

At a public forum here, the generals spent most of the time criticizing the peace process.

A June survey conducted by the Council for Peace and Security in Israel, an organization supportive of Prime Minister Yitzhak Rabin government's approach to the peace process, shows that support for the peace process may indeed be a mainstream view among senior reserve officers.

Three-fourths of Israel's reserve generals polled said Israel's security needs could be "reasonably satisfied" if the return of the West Bank and Gaza occurred. □

Palestinian police in Gaza kill Israeli who ran roadblock*By Naomi Segal*

JERUSALEM (JTA) — An Israeli army reserve officer was shot dead by Palestinian police after driving through a roadblock in the Gaza Strip.

The incident took place Saturday, when Lt. Col. Emmanuel Maloul, 48, sped through a Palestinian roadblock after crashing through three others.

One of the roadblocks was set up by the Israel Defense Force.

Israeli and Palestinian police officials said they believe that Maloul had wanted to commit suicide.

According to Israeli security sources, the Palestinian police at the roadblock near Beit Hanoun had opened fire only after they thought that they were going to be run over.

"They did not have any choice," an army source was quoted as saying by the Israeli daily Ha'aretz.

Maloul was hit in the chest by gunfire and taken to Shifa Hospital in Gaza City.

His body was later handed over to Israeli authorities.

Maloul, a resident of Kiryat Ono, last served as the commander of a unit of trackers stationed in southern Israel.

In recent years, he had become ill with cancer, suffering partial paralysis and undergoing some 13 operations.

The most recent operation took place less than two weeks earlier at Ichilov Hospital in Tel Aviv.

Maloul had served for a lengthy period in Gaza, his brother said.

"I don't understand why he drove there in particular," the brother was quoted as saying.

Maloul is survived by a wife and four children.

Maloul's widow told police that her husband wanted to kill himself, Israeli and Palestinian police officials said. □

Peres heads to Kazakhstan in move toward stronger ties*By Alexander Eytan*

ALMATY, Kazakhstan (JTA) — Israel's Foreign Minister Shimon Peres paid a two-day visit to the Central Asian Republic of Kazakhstan last week in an effort to strengthen relations between the two countries.

During the visit, which ended Aug. 31, Peres and his Kazakh counterpart, Kasymzhomart Tokayev, signed bilateral cooperative agreements on trade, culture and technology.

An Israeli diplomat traveling with Peres said the visit was partly intended to provide additional opportunities for Israeli businessmen in this largely Muslim nation of 16 million.

Kazakhstan became independent of the former Soviet Union in 1991.

Kazakhstan, four times the size of Texas and the largest of the former Soviet Central Asian republics, is rich in oil, gas and minerals.

During the visit, Peres met with Kazakh President Nursultan Nazarbayev and Prime Minister Akezhan Kazhegeldin.

Nazarbayev was expected to visit Israel later this year.

On the first night of his visit, Peres addressed a gathering of local Jews.

Peres recalled the warm hospitality with which the Kazakh people greeted the thousands of Jews who fled to Central Asia when Hitler's armies advanced through Russia during World War II.

About 16,000 Jews live in Kazakhstan today, many of them descendants of those refugees.

Some 10,000 of them live in the capital city of Almaty.

During his visit, Peres also attended a reception hosted by Israeli Ambassador Benzion Carmel.

At the reception, Peres donned a traditional Kazakh cloak and prayer cap to pose with the mufti of Kazakhstan, Radbek Haji.

The mufti, himself garbed in traditional robes, smiled broadly when Peres embraced him for photographers on a hotel terrace overlooking the Tien Shan Mountains, whose snow-capped peaks dominate Almaty.

Peres paid a good-humored tribute to the size of Kazakhstan, just emerging from the Russian shadow, saying, "The Jews have more history than geography, while the Kazakhs have more geography than history. Let's exchange a little of each." □