

NEWS AT A GLANCE

- **The Israeli Cabinet endorsed the Interim Agreement, which calls for handing about one-third of the West Bank over to the Palestinians after a phased Israeli troop withdrawal. The agreement also calls for the holding of Palestinian elections.**
- **Supporters of the peace process secured permits to demonstrate — during the signing of the Interim Agreement between Israel and the Palestinians — in front of the White House and in Lafayette Park across the street. The move by Project Nishma forced the National Council of Young Israel, which opposes the Israeli-Palestinian accord, to a site eight blocks away.**
- **Secretary of State Warren Christopher said he plans to visit Israel and Syria within two to three weeks in an attempt to jump-start the stalled peace negotiations. Talks between Israel and Syria broke off in June.**
- **Egypt announced plans to bring to court recent allegations of Israeli troops killing Egyptian prisoners of war during the 1956 Sinai Campaign and the 1967 Six-Day War. An Egyptian newspaper reported that a petition might be made to Israel's High Court of Justice.**
- **Jewish settlers said they would use armed force if they feel threatened by Palestinian police who will be stationed in the West Bank town of Hebron under the next phase of Palestinian self-rule. One settler leader warned that thousands of volunteers would establish a self-defense base in Hebron.**
- **The House International Relations Committee will hold a hearing Thursday on the 1994 bombing of AMIA, the Jewish community center in Buenos Aires, Argentina. Witnesses of the attack are expected to blame the Islamic fundamentalist Hezbollah movement for the bombing.**
- **Beirut declared that it would boycott a Middle East economic summit next month in Amman, saying that Israel and Lebanon's formal state of war made discussions on economic cooperation between the two countries premature.**

NEWS ANALYSIS**Extension of Palestinian self-rule in West Bank poses new challenges***By David Landau*

JERUSALEM(JTA) — When Yasser Arafat greeted Israeli television viewers Saturday night with the Hebrew words “Shanah Tovah,” it was clear that the Israeli-Palestinian negotiations, interminably drawn out and studded with crises, were finally drawing to their successful conclusions.

And sure enough, the next day — after just one more minicrisis for good measure and as the last hours of the Jewish year 5755 ebbed away — Israeli and Palestinian officials affixed their initials to the 400-page Interim Agreement.

Palestine Liberation Organization leader Yasser Arafat and Foreign Minister Shimon Peres looked on, beaming.

The two had worked, fought, screamed, and wheeled and dealt at the Egyptian Red Sea resort of Taba for some 80 hours during eight straight days and nights of negotiations, putting what were euphemistically called “the finishing touches” to the mammoth document that has been evolving in quiet back room negotiations for the best part of a year.

Once implemented, the Interim Agreement will extend Palestinian self-rule to most of the people and much of the territory of the West Bank.

The agreement will indeed “constitute,” in the words of the Israeli government, “a new and important stage in the transition from conflict to reconciliation.”

For Israelis — and not only those opposed to the peace process on political or religious grounds — Arafat's “Shanah Tovah” elicited distinctly mixed feelings.

After all, this is the man who not that long ago was personally issuing orders that spelled death and maiming for innocent men, women and children, in Israel and abroad.

Arafat has been under attack in Israeli opinion, and especially in the halls of the U.S. Congress, for his warlike pronouncements to Palestinian audiences in recent speeches.

But the PLO chairman was plainly at pains during the talks to project a newly conciliatory image to Israelis and Diaspora Jews, while at the same time fighting hard right up to the bell to secure the best deal he could for his people.

‘Key test’ looming

Prime Minister Yitzhak Rabin, aware of the heart-searching hesitations that assail even the most ardent enthusiasts of the peace process among his electorate, says a “key test” for the long-term future will be the Palestinians' compliance with a provision in the accord that requires them to revoke those articles in the Palestinian Covenant that call for the destruction of Israel.

The subject of similar Palestinian promises in the past, the revocation of the offending clauses is to take place within two months of the election of a new 82-member Palestinian Council, expected to take place in April, another key feature of the accord.

Reading between the lines, the new agreement advances the prospect of an eventual Palestinian state in the West Bank and Gaza Strip.

Formally, the Israeli government still opposes that scenario.

But Rabin, in an important statement timed to coincide with the new agreement this week, said he opposes Palestinian statehood “now — and I stress the word ‘now.’ ”

“In the future,” he added pointedly, “many options can be examined.”

As the two sides move toward that vague future, more crises and moments of anguish and recrimination doubtless lie ahead.

The Interim Agreement — arrived at more than a year behind the original schedule set out in the 1993 Declaration of Principles — induces yet more delays in the peace process.

The initial Israel Defense Force redeployments, to be completed within six months, cover only about a quarter of the area of the West Bank.

But the agreement prescribes “further redeployments” that will take

place in a protracted schedule during the following 18 months.

Before the "finishing touches" marathon at Taba, it had been hoped that the initial IDF redeployment from major Palestinian towns could be completed by year's end — a move that would allow Palestinian elections to be held by January at the latest.

But that scenario was built upon the premise that Hebron would be the sole West Bank population center where the IDF would not redeploy, because of the Jewish settlement presence in the town's center.

But as one result of the Taba negotiations, security for Hebron will be handed over to the Palestinian Authority, with the IDF retaining direct control only of that area that connects Kiryat Arba, the large Jewish settlement just outside Hebron, to the enclaves of Jewish settlement inside the town.

Rabin and Peres, in an effort to provide security for the area's settlers, decided to construct a major bypass road to enable the Jewish population in Hebron and Kiryat Arba to drive to Jerusalem without passing through built-up Palestinian areas.

Construction of the road is expected to take six months — and that six-month period is now the new, delayed time frame during which the Interim Agreement will be implemented.

As a result, Israel's redeployment from the major Palestinian population centers in the West Bank will not be completed until March.

The Palestinian elections, therefore, will not take place until late April — or, as the agreement stipulates, 22 days after the redeployment is completed.

And before those elections are held, the winter months loom ahead, gray and threatening, fraught with the menace of violence.

Hebron is home to some of the most fanatical Palestinian rejectionists.

Islamic Jihad activists labeled the agreement an act of shame.

And they branded the city's mayor, Mustafa Natshe, a traitor for going along with it.

Settlers threaten violence

Hebron and Kiryat Arba also contain some of the most hardline Jewish opponents to the accord.

Some of their spokesmen talk of opening fire, even if unprovoked, when Palestinian police enter the city under the terms of the agreement to take over security in those areas assigned to the Palestinian Authority.

Violence perpetrated by settlers, along with acts of terrorism inside Israel by Palestinian extremists, could destroy the agreement at any stage of its extended period of implementation.

The series of suicide bombings that shook Israel during the past year all but toppled the Rabin government, and they severely eroded Israeli support for the peace process.

The threat of violence, moreover, will not recede even after the initial Israeli redeployment and the holding of Palestinian elections.

The process of further redeployments in other, less-populated sections of the West Bank will take place at six-month intervals after the election of the Palestinian Council.

And then there are the permanent-status negotiations, slated to start in May 1996, when Palestinian and Israeli officials will square off on the most contentious issues of all — Jerusalem, the final borders, the settlements, the return of Palestinian refugees from the 1967 Six-Day War.

Those negotiations, along with the protracted

schedule of IDF redeployments, could well be punctuated by further violence.

The precariousness of Rabin's position was graphically illustrated this week by his evident reluctance to submit the agreement to the Knesset for approval before he departed for the signing ceremony Thursday in Washington.

Granted, there was no strict legal requirement that he do so — as the Likud-led opposition had demanded.

Granted, too, the start of Rosh Hashanah and the timing of the signing ceremony made a Knesset debate prior to the signing difficult to organize.

But along with these considerations, there was, no doubt, the very real specter of the Rabin government failing to come up with the required votes to support the agreement.

With two renegade members of the Labor Party already pledging to vote against the agreement and some other potential sources of support uncertain, one senior minister said privately that the fate of the agreement lies, in effect, in the hands of Rabbi Ovadia Yosef, the spiritual mentor of the fervently religious — and highly pivotal — Shas Party.

Rabin apparently calculated, probably with good reason, that Yosef would not deal him the massive indignity of rejecting the agreement after it had been signed at the White House.

Although this may be a solid tactical gambit that is likely to succeed in the context of Israel's fragile parliamentary situation, it can hardly offer Rabin and Peres encouragement regarding the future.

"There will be serious implementation problems," Palestinian negotiator Nabil Sha'ath said this week. "But we shall have to overcome them."

It was a succinct and precise prognosis, one that well depicts the complex period that lies ahead for both sides. □

Senate passes foreign aid bill, funding for Palestinian Authority

By Matthew Dorf

WASHINGTON (JTA) — Israel and the Palestinian Authority are one step closer to receiving U.S. foreign aid.

The Senate passed the \$12.3 billion foreign operations appropriations bill late Thursday by a near record margin, 91-9.

Known widely as the foreign aid bill, the measure includes \$3 billion for Israel, \$2.1 billion for Egypt, \$100 million in military assistance for Jordan and \$75 million for the Palestinian Authority.

The legislation also extends for 12 months the Middle East Peace Facilitation Act, which allows U.S. aid to flow to the Palestinians.

A House and Senate conference committee will meet in the coming weeks to hammer out differences between each chamber's version of the bill.

The Senate passed a number of amendments offered by Sen. Jesse Helms (R-N.C.) unanimously by a voice vote aimed at strengthening the Middle East Peace Facilitation Act.

One amendment that was passed requires the Palestinian Authority to close Orient House and 10 other Palestinian organizations in eastern Jerusalem within the next six months in order to continue receiving U.S. financial aid.

Another amendment requires the PLO to "nullify" its covenant calling for the destruction of Israel.

The measure also would cut off aid to Russia if it follows through on selling nuclear reactors to Iran. □

Interim Agreement sets details for elections, extending self-rule

By Naomi Segal

JERUSALEM (JTA) — The Interim Agreement for extending Palestinian self-rule in the West Bank effectively brings 28 years of Israeli civil administration of the region to an end.

A key provision of the 400-page accord calls for the election of an 82-member Palestinian Council, after the redeployment of the Israel Defense Force from Palestinian cities and towns across the West Bank. Once the council is inaugurated, the Israeli civil administration in the West Bank will be dissolved.

The 82-member Palestinian Council will have legislative powers.

Executive powers will be vested in a separate Executive Authority, which will include council members and appointed officials.

There will be separate elections for the Palestinian Council and the Executive Authority.

Other principal features of the Interim Agreement include:

- **Israeli redeployments:** The Israel Defense Force will withdraw from six West Bank population centers — Nablus, Jenin, Tulkarm, Kalkilya, Ramallah and Bethlehem — designated as "Area A" by Israeli and Palestinian negotiators.

In the West Bank town of Hebron, special arrangements will apply to allow the IDF to remain in the sections of the town where Jewish settlers reside.

The IDF will also redeploy from 450 Arab villages and towns in the West Bank, known as "Area B."

The IDF redeployments will be completed in Areas A and B by March 1996, by which time Israel will complete construction of a bypass road that will enable Jewish settlers in Hebron to drive to Jerusalem without passing through built-up Palestinian areas.

In other sections of the West Bank — known as "Area C" and comprising unpopulated areas, Jewish settlements and areas of strategic importance to Israel — the IDF will engage in further redeployments in six-month intervals after the inauguration of the elected Palestinian Council.

Some eastern Jerusalem residents may run

- **Security:** The Palestinian Council will have full responsibility for internal security and public order, as well as full civil responsibilities, in Area A.

In Area B, the Palestinian Council will be charged with maintaining public order and will have full authority over civilian affairs, while the State of Israel will have overall security authority to safeguard its citizens and to combat terrorism.

Israel will retain full responsibility for security and public order in Area C.

- **Palestinian elections:** Arab residents of eastern Jerusalem will be able to participate in the elections, which will take place 22 days after the completion of the IDF redeployment from Palestinian population centers.

A Palestinian resident of eastern Jerusalem may run for office in the elections only if he or she has an additional valid address in the West Bank or Gaza Strip.

- **Prisoner releases:** Israel will release some 3,000 Palestinian prisoners in two phases: The first will take place upon the signing of the agreement in Washington; the second, on the eve of Palestinian elections.

The two sides also agreed that a third release would take place "according to other principles which will be established separately."

- **Palestinian Covenant:** Within two months after

the elections, the Palestinian Council will revoke those articles in the covenant calling for the destruction of the Jewish state.

- **Palestinian police:** The two sides agreed to the establishment of a 12,000-member Palestinian police force, which will constitute the only Palestinian security force in the West Bank.

- **Religious sites:** Responsibility over religious sites in the West Bank and Gaza will be transferred to the Palestinians.

Both sides agreed to protect the sites, to allow free access to them and to provide freedom of worship at the sites for members of all faiths.

Special arrangements to guarantee freedom of access and worship were negotiated with regard to Rachel's Tomb in Bethlehem and Joseph's Tomb in Nablus.

The status quo of Israeli control over the Tomb of the Patriarchs in Hebron will remain in effect.

- **Observers:** The Palestinian elections will be open to international observers in an effort to ensure that the voting is free and fair.

A temporary international observer presence will be established in Hebron to monitor security and human rights issues.

- **Water:** Israel agreed to increase the amount of water allocated to West Bank Palestinians by 36.4 million cubic yards.

Any other addition in water allocations to either side will be based on an increase in the available water resources.

- **Incitement:** Israel and the Palestinians agreed to use all the legal means at their disposal to prevent incitement on the part of groups or individuals.

They also agreed that their educational systems would act to advance the cause of peace among Israelis and Palestinians. □

(JTA staff writer Mitchell Danow in New York contributed to this report.)

'Fascist street' plan shelved in Rome

NEW YORK (JTA) — The mayor of Rome has shelved his plan to rename a street for a leading official in Fascist dictator Benito Mussolini's government.

After pressure from Jewish and left-wing groups, Mayor Francesco Rutelli on Monday announced his decision — which came after the city's council's 11-1 vote backing the idea — saying that the "unshakable moral opposition" to the plan by Jews in Rome had been a decisive factor.

The Rome mayor had defended his idea of naming the street for former Education Minister Giuseppe Bottai, who had signed laws that ordered Jews out of schools in Italy, as a way for Italians to come to terms with their Fascist past. □

Bank of Israel to raise interest rate

By Naomi Segal

JERUSALEM (JTA) — The Bank of Israel has announced that it was raising interest rates by half a percentage point.

Bank of Israel Governor Jacob Frenkel said that last week's move was necessary to counter public expectations of stepped-up inflation after learning of August's relatively high cost-of-living rate.

He also blamed inflation fears on growing private consumption and the balance of payments.

Israel's Chamber of Commerce and other groups criticized his decision, saying that it would not contain inflation. □

Tourism officials on hotel rooms: If you build them, they will come

By Michele Chabin

TEL AVIV (JTA) — If Israel doesn't build more hotel rooms, and fast, it will not be able to accommodate the increase in tourism being generated by the peace process.

This was the warning conveyed by tourism experts at the Prime Minister's Conference on Peace Tourism, held earlier this month.

Sponsored by the Ministry of Tourism and the Association for Promoting Tourism in Israel, the conference attracted 350 of the world's top travel professionals from 35 countries.

According to ministry officials, strides in the peace process are boosting tourism to Israel as well as to its Arab neighbors.

In 1995, Israel welcomed a record-breaking 2.2 million tourists, up from 1.97 million in 1994.

In addition, international tourism rose last year by 10.3 percent in Jordan; 2.8 percent in Egypt; and a whopping 25.9 percent in Lebanon.

The island of Cyprus, which is close to the Middle East, scored a healthy 12.4 percent increase in the number of tourists.

In a seminar on world travel trends, Antonio Enriquez Savignac, secretary general of the World Tourism Organization, told the audience, "The new climate of peace in the Middle East has already brought huge dividends in terms of increasing tourism.

"This is an encouraging trend and one that we expect to continue."

Already, thousands of Muslim pilgrims have arrived in Israel from such countries as Indonesia and Malaysia, and the number of Christian pilgrims is also on the rise.

Monsignor Liberio Andreatta, who arranges tourism for the Vatican, noted that since the forging of diplomatic ties between Israel and the Vatican in December 1993, "Bishops, Monsignors and group organizers have wanted to show a sort of goodwill by promoting tours to Israel."

Church stamp of approval

Acknowledging that many Catholics postponed a trip to the State of Israel until the church gave its official stamp of approval, he added, "The mutual recognition between the two governments has made the psychological difficulties involved with promoting tourism to Israel disappear."

In 1994, only 12,000 Catholics visited the Jewish state.

That number could reach 50,000 annually by the year 2000, Andreatta said.

Assuming that more and more travelers begin to perceive the Middle East as a safe vacation destination, both Israel and Jordan, which has also become an increasingly popular destination, will have to work double-time to accommodate the expected flood of visitors.

Both countries are scrambling to build thousands of hotel rooms and to improve and expand their existing infrastructures.

Eli Gonen, director general of the Israel Tourism Ministry, said the Jewish state can accommodate 2.6 million visitors.

By building new hotels in the main cities, as well as in the southern resort town of Eilat, it would be able to host 4.6 million people by the year 2006, he said.

In the future, Gonen said, the country plans to promote more off-season travel and off-the-beaten-track

tours in order to distribute tourism revenues throughout the country.

Tourism is also expected to increase as a result of the 15-month Jerusalem 3000 celebration launched earlier this month.

In what promises another boost for tourism, Israel and the Palestinian Authority are planning a joint marketing campaign aimed at Christian pilgrims for the year 2000, when activity is expected to center around Jerusalem, Nazareth, Bethlehem and the Sea of Galilee.

Bethlehem Mayor Elias Freij, who also holds the Palestinian Authority's tourism portfolio, told the gathering that Palestinians "have the most holy and historical places in our area, so we are in the process of formulating a five-year plan."

"This will include 1,500 hotel rooms in Bethlehem, as well as another 1,000 rooms in other parts of the Palestinian territories," he said.

Many of the Jordanian delegates who attended the conference noted that several major hotel chains are being built in the capital of Amman.

The delegates also said other areas being developed in Jordan include the Dead Sea, Petra and the Gulf of Aqaba, which is located opposite the popular Israeli resort of Eilat.

During an awards ceremony honoring those who were most instrumental in promoting tourism to Israel, Prime Minister Yitzhak Rabin told the delegates, "I believe that the tourism industry, more than any other, bridges the gap in knowledge, in relations between people and individuals."

But Geoffrey Lipman, president of the World Travel and Tourism Council, warned that tourism can only help build peace, not serve as its cornerstone.

"If you already have peace, tourism can contribute to it," Lipman said.

"If not, tourism can't be the creator. It's a builder. If things stay on track, we can be the cement between the building blocks." □

Auction house sharply criticized for planning to sell Nazi artifacts

By Naomi Segal

JERUSALEM (JTA) — A Tel Aviv auction house has once again caused a public outcry over its planned sale of Nazi memorabilia.

Knesset Speaker Shevach Weiss and Chief Ashkenazi Rabbi Yisrael Meir Lau denounced the plans of Menashe Maridek, owner of Zodiac Stamps, to sell items from the Nazi era.

Israel Radio reported that emblems and insignia worn by the Nazi SS appeared in Zodiac Stamps' catalog for a sale — open to the public — scheduled to take place next month.

Five months ago, the auction house caused a stir over its plans to sell artifacts from the Nazi death camps, including a bar of soap allegedly made from human fat.

The sale was canceled in the wake of public pressure.

Avner Shalev, the director of the Yad Vashem Holocaust Memorial in Jerusalem, said the planned sale violated an understanding reached after the previous incident, in which Maridek promised that he would not do it again.

"He actually proclaimed that last time that he understands the sensitivity of the public," Shalev told Israel Radio.

"To sell here, in Tel Aviv, those kinds of matters or emblems of the SS is to go too far."

Maridek was unavailable for comment. □