



NEWS AT A GLANCE

■ Benjamin Netanyahu was sworn in as Israel's ninth prime minister after the Knesset approved his government in a vote of 62-50. However, internecine feuding in the premier's own Likud Party and among the coalition partners precluded him from initially filling all the Cabinet slots. [Page 1]

■ Israel's new leader, Benjamin Netanyahu, called on Arab states to renew talks with his right-wing administration, saying that he hoped to lead the Middle East toward an era of peace. Netanyahu also said in his inaugural address to the Knesset that he would pursue peace negotiations with Syria and the Palestinians. [Page 1]

■ Shimon Peres warned Prime Minister Benjamin Netanyahu in an emotional and at times angry speech that the Likud leader's avowed policies would not lead to peace. The outgoing prime minister told Netanyahu that if he is serious about peace, he eventually will shake the hand of Palestinian leader Yasser Arafat. [Page 1]

■ The United States joined France, Great Britain, Russia and China in asking Israel, one of three undeclared nuclear powers, to accept a global ban on nuclear explosions. The move, which also targets the nations of India and Pakistan, comes as talks on an international nuclear test ban treaty entered the final stages.

■ A Jewish Agency for Israel delegation returned to Israel from Moscow, saying that it had reached an agreement on the continuation of its activities in Russia. The delegation met with Russian Justice Ministry officials and discussed the process of registering the Jewish Agency in accordance with new Russian law.

■ The House of Representatives completed debate with no opposition on a measure that would impose sanctions on foreign firms that invest in Iran's energy industry. The measure was expected to pass the House of Representatives and the Senate by the end of this week.

NEWS ANALYSIS

Netanyahu presents Cabinet amid clouds of controversy

By David Landau

JERUSALEM (JTA) — Struggles over personalities and policies dominated Benjamin Netanyahu's first week as prime minister of Israel.

When Netanyahu presented his government to the Knesset on Tuesday, one day later than he had hoped, internecine feuding within the premier's own Likud Party and the coalition precluded him from initially filling all the Cabinet slots.

Which players fill which slots will determine important policy in the next government.

But Netanyahu, who was officially sworn in as Israel's ninth prime minister Tuesday night after his government was approved, gave some indication of where he was going in both his inaugural address to the Parliament and his policy guidelines published this week.

In his speech, he offered general overtures to Israel's Arab neighbors, but was criticized by the outgoing prime minister for lacking specifics, especially with regard to the Palestinian track of the peace process.

Netanyahu clinched a new government on Monday after signing coalition accords with three religious parties — the National Religious Party, Shas and United Torah Judaism — the centrist Third Way and Natan Sharansky's Yisrael Ba'Aliyah Party. The agreements gave Netanyahu the necessary Knesset majority of 66 seats out of 120.

But the ugly and sometimes vicious politicking that characterized the weeks of coalition-building strained Netanyahu's relations with his own party, leaving a trail of wounded egos and simmering resentment in the senior echelons of the Likud.

Ariel Sharon, who claims that it was he, more than any other single politician, who ensured Netanyahu's victory, was denied both the Defense Ministry, his first preference, and the Finance Ministry. Sharon, indeed, was instrumental in persuading other would-be rightist candidates for prime minister to withdraw from the contest, leaving the field open for Netanyahu alone to challenge Prime Minister Shimon Peres in the May 29 balloting. Later, Sharon succeeded in persuading most of the leading fervently Orthodox rabbis to support Netanyahu and to instruct their followers to vote for him.

As Netanyahu was desperately casting about for a satisfactory portfolio for the Likud hard-liner, David Levy, Netanyahu's foreign minister, at first refused to join the government in a demonstration of solidarity with Sharon. At the eleventh hour, after the Knesset approved the new government, Levy joined the Cabinet.

Negotiations were under way to find a compromise in which Sharon could be brought into the government with a special portfolio created for him.

Last-minute haggling also precluded the naming of specific ministers to housing and religion by the time the Cabinet was approved Tuesday.

Strained relations with Likud

Sharon was joined by Likud members Ze'ev "Benny" Begin and Moshe Katsav in being excluded from Netanyahu's original list for Cabinet appointments. Also originally excluded was Dan Meridor, a former Likud justice minister whom Netanyahu views as a potential political rival.

None of these Likud officials ever fully acquiesced in Netanyahu's victory to head the Likud Party and have never hidden their lack of enthusiasm for his leadership.

In the end, Meridor was appointed finance minister, but not before Begin, who was appointed minister of science, had vowed that he would not enter Netanyahu's government as long as Meridor was sidelined. Katsav ended up as tourism minister, a lesser slot than he had hoped to obtain.

Netanyahu's relations with his own party also have been strained by his granting nine of 18 Cabinet portfolios to Likud's coalition partners. Those appointments include:

- Justice: Ya'acov Ne'eman, a Tel Aviv attorney and political outsider
- Education: Zevulun Hammer, National Religious Party leader
- Transportation and energy: Rabbi Yitzhak Levy, NRP
- Agriculture and environment: Rafael Eitan, Tsomet Party leader

• Trade and Industry: Natan Sharansky, head of Yisrael Ba'Aliyah

• Absorption: Yuli Edelstein, Yisrael Ba'Aliyah

• Public security: Avigdor Kahalani, leader of The Third Way

• Interior: Eli Suissa, Shas

• Labor and Social Affairs: Eliyahu Yishai, Shas
While Yitzhak Mordechai, who was named defense minister, is now a loyal Likud man, he is hardly a veteran party figure. Mordechai retired from the army last year and joined the Likud eight months ago. He won second place in the party's Knesset list in the Likud primary.

Other Likud members of the Cabinet are:

• Communications: Limor Livnat

• Health: Tzachi Hanegbi

On policy issues, Netanyahu, both in his inaugural Knesset speech Tuesday and in the formal "Policy Guidelines" that every new government publishes, was anxious to accentuate the pragmatic aspects of his positions.

In reaching out to the Arab countries, Netanyahu declared his readiness to negotiate with Syria without preconditions, a position promptly welcomed this week by the U.S. State Department.

Netanyahu pledged in his Knesset speech to negotiate with the Palestinians if the Palestinian Authority scrupulously observes its commitments under the signed agreements.

Denying Sharon the Defense Ministry was seen in the region as a signal that the new government would pursue a policy of relative moderation.

Nevertheless, since his election, Netanyahu has not made an explicit endorsement of the Israeli-Palestinian agreements, known as the Oslo accords.

Moreover, the new government's policy guidelines pledge to retain Israeli sovereignty over the Golan Heights, to maintain Israeli control over a united Jerusalem and to earmark resources to develop settlements in the West Bank.

"You will discover quickly enough," the outgoing prime minister, Shimon Peres, said to Netanyahu in an emotional speech Tuesday, "that the policies you espoused in your election platform cannot lead to peace."

Peres said the policy guidelines were "full of contradictions." Their commitment to award the Palestinians self-rule was absurd, Peres said, because the Palestinians already had achieved that as a result of the process launched by his predecessor, the late Yitzhak Rabin.

'You will hold Arafat's hand'

Pointing at Netanyahu, Peres said, "I am not embarrassed I walked with Yasser Arafat."

"And if you are serious about peace," Peres lectured Netanyahu, "you will, too. You will even hold his hand." Peres said the new government's "first test" would be the redeployment of Israeli forces in Hebron. He also urged the government to pursue negotiations on a final settlement. "If you do so, we will support you," said Peres, who also announced this week that he would continue as head of the Labor Party.

Palestinians reacted with anger to the new guidelines of the Netanyahu government, saying that it contained too many "nos."

"Sooner or later, these guidelines will be in collision with the reality, and I hope [Netanyahu] will change his tone," said Palestinian official Hanan Ashrawi, appointed to head higher education in the self-rule executive authority. The guidelines also angered Damascus, which called the policy statements "a declaration of war."

Ahead of the Arab summit in Cairo this weekend, Syria called for a renewal of the economic boycott of Israel, a sanction that had de facto been called off since the 1993 Oslo accords. □

Some foreign investors eye Israel under new government

By Daniel Kurtzman

WASHINGTON (JTA) — Despite speculation that the election of Benjamin Netanyahu will deter foreign investors, some business leaders remain optimistic about opportunities in the region.

"From a business standpoint I don't see any serious change," said Elmer Winter, chairman of the Center for Economic Growth of Israel, which represents 200 U.S. and Israeli businessmen.

Winter, like others, believes that the momentum for investment, like the peace process itself, is irreversible.

Such optimism, voiced at a recent Washington gathering of U.S. and Israeli business leaders for a seminar on Middle East trade, appears to run counter to prevailing wisdom. Most economic analysts anticipate an ebb in foreign investment, at least in the short term.

"I think everybody's a little bit apprehensive now," said Scott Goldstein, executive director of the Washington-based Center for Middle East Peace and Economic Cooperation. "On the other hand, Israel is a booming economy and there's a ton of potential," he added. "I don't think that anybody is throwing in the towel, but there are a lot of deals that could be thrown off track in the next few months if the peace process slips."

Some investors, however, appear to be willing to wager on the continuation of the peace process.

Cautious in talking about hopes

"There's a much more mature view dealing with the Middle East than one would find if you take it at face value," said Jeff Kahn, a longtime supporter of business development in the Middle East who co-chaired the trade seminar. "Although in the short term there might be bumps in the road," investors see that "in the long term it may be not only a good investment, but it could be phenomenal," Kahn added.

Between 1991 and 1995, foreign investment in Israel increased sixfold, and Israel's gross domestic product rose by about 6 percent per year to a current robust \$90 billion. During that period, the peace process produced agreements with the Palestinians and a peace treaty with Jordan, and opened relations with several Arab countries.

Recognizing the link between the peace process and Israel's prosperity, 20 leading Israeli executives endorsed outgoing Prime Minister Shimon Peres in the recent election campaign.

Israeli business leaders have since scrambled to put a positive economic spin on Netanyahu's victory.

Some, in an expression of guarded confidence, say Netanyahu recognizes that Israel's continued economic growth depends on the continuation of the peace process.

"We in the business sector in Israel feel that there is a real commitment on the part of any government in Israel, including the newly elected government, to the continuation of the peace process, to privatization, and to very dynamic support for a free market economy," said Dan Gillerman, chairman of the Federation of Israeli Chambers of Commerce.

Arab American investors, meanwhile, are cautiously articulating their hopes.

Among those who will be closely watching the new government is Ziad Karram, president and chief executive officer of General Resource Design Group. Karram, a Palestinian American, is conducting a feasibility study to build a \$62 million Marriott Hotel in Gaza.

In spite of widespread apprehension about the future of the peace process, Karram intends to move forward with the project. □

Southern Baptists' plan for Jews sparks communal ire and alarm

By Debra Nussbaum Cohen

NEW YORK (JTA) — From the perspective of many Jews, it was bad enough when the 15.7 million-member Southern Baptist Convention last week appointed a minister to head up its effort to evangelize the Jews.

But it signaled a new and dangerous era to many in the organized Jewish community when the largest Protestant denomination in America then adopted a resolution singling out the Jewish people as a target for Christian evangelism.

It is now "theological open hunting season on Jews," said Rabbi James Rudin, the American Jewish Committee's director of interreligious affairs. He described the development as a "form of spiritual arrogance of the highest order."

Not everyone agreed that it was cause for alarm.

The resolution adopted by the 14,000 Southern Baptists attending the group's annual convention, held last week in New Orleans, said, in part: "Our evangelism efforts have largely neglected the Jewish people, both at home and abroad." It went on to decry the "dual covenant" position held by Catholics, most mainstream Protestant denominations and other Christian groups.

These groups believe that God has a unique, irrevocable bond with the Jewish people and as a result, Jews are not required to believe in Jesus as the Messiah to be divinely blessed.

"There has been an organized effort on the part of some either to deny that Jewish people need to come to their Messiah, Jesus, to be saved, or to claim, for whatever reason, that Christians have neither the right nor obligation to proclaim the Gospel to the Jewish people," the resolution said. It also urged Southern Baptists to evangelize Jews and to pray "for the salvation of the Jewish people."

"There is evidence of growing responsiveness among the Jewish people in some areas of our nation and our world," the resolution said, referring to the Jews who have converted to Christianity in recent years.

Although no one knows the exact number of conversions, the 1990 National Jewish Population Study found that 20 percent of American Jews integrate Christian practice into their lives to some degree.

At a time of growing assimilation among American Jews, Rudin said, the best response the Jewish community could offer is to educate Jews about their heritage.

'God doesn't hear Jews'

There has been controversy in the past surrounding the attitude of the Southern Baptists toward Jews. In 1980, Bailey Smith, then president of the denomination, said, "God doesn't hear the prayers of Jews."

The denomination historically has been a strong supporter of the State of Israel. Some experts said the support stems from the Southern Baptists' own theological goal of bringing about Jesus' second coming.

Among those in the Jewish community expressing serious alarm over the Southern Baptists' new policy were: leaders of the Conservative and Reform movements, which together represent between 85 percent and 90 percent of American Jews; Agudath Israel of America; the Anti-Defamation League; B'nai B'rith International; the National Jewish Community Relations Advisory Council; and the Simon Wiesenthal Center.

But Phil Baum, executive director of the American Jewish Congress, expressed little more than bemusement.

"We are not exactly losing sleep over this," he wrote in a statement. "Being perennially optimistic, we look forward to future resolutions from our brethren of the

Southern Baptist Convention acknowledging the gospel truth that Judaism should be respected and that Jews are not put on earth just to give employment to missionaries."

Yechiel Eckstein, an Orthodox rabbi who founded and runs the International Fellowship for Christians and Jews, which tries to build bridges between the evangelical and Jewish communities, said the new policy would probably have little impact on the work the group now does. "The reality is that there is no difference this week from last on Jewish evangelism," he said.

"There has been pressure from within the convention against some people who preach the 'double covenant' idea," he said, adding that "this was intended to reaffirm the commitment to evangelizing all people, including the Jewish people."

Eckstein said the amount of money they had earmarked for the new policy reflects a superficial effort. The \$100,000 that denomination officials said they plan to spend "within a budget of millions does not indicate anything very serious," he said. "If the SBC wanted to raise \$10 million for Jewish evangelism, they could."

The Southern Baptist Convention's new coordinator of Jewish ministries is James Sibley, a minister who has spent the last 13 years in Israel leading several of the about 40 Messianic congregations that exist in the Jewish state. He authored the new policy about evangelizing Jews.

Sibley, who was not born a Jew, said in a telephone interview that his first order of business would be to educate Southern Baptists about Judaism and Jewish sensitivities to terms such as "Christ" and "evangelize."

Picking up on the success of methods first used by Messianic groups such as Jews for Jesus, which cloak Christian theology in Jewish language and symbols, Sibley said he plans to teach Southern Baptists to use the same techniques, already used in the 30 Messianic fellowships that are part of the Southern Baptist Convention.

'Probably overreacted to Holocaust'

The congregations have thousands of congregants, many of them couples in which one partner is Jewish and the other is not, said Larry Lewis, president of the Southern Baptists' Home Mission Board, the section in charge of the denomination's 4,857 North American missionaries.

Of the new effort to target Jews, he said, "If a church is in a community where Jews reside, we're going to do our best to reach those Jews for Christ."

"We would make evangelistic efforts proclaiming the Gospel in predominantly Jewish areas, including door-to-door witness in the homes of people, sometimes through television and radio broadcasts, and street corner evangelism," he said from his office in Alpharetta, Ga., a suburb of Atlanta.

Since 1857, the denomination has passed 10 resolutions proclaiming the need specifically to evangelize Jews, Lewis said.

And Sibley is not the first missionary appointed to work specifically with the Jews.

The first was appointed in 1921, and someone was always working in the role until about eight years ago, when the position was vacated through a retirement and, because of budget cutbacks, left unfilled, Lewis said.

Still, Southern Baptists' evangelism of Jews has not been as focused as it should have been because "we probably overreacted to the Holocaust and the great sense of concern and gravity over all the atrocities that resulted from the Nazi regime," Lewis said. "Perhaps we just for one reason or another felt it might be offensive to make a special effort" to convert Jews. But the denomination's leadership has now changed, he said, to one that feels the need to stress that only through belief in Jesus can anyone have a relationship with God. □

U.S., Israeli officials seek to reassure American Jews

By Cynthia Mann

NEW YORK (JTA) — U.S. and Israeli officialdom is signaling American Jews that the new political course staked out by the Netanyahu government will have little impact on the close ties between the two countries.

Zalman Shoval, Likud Party official and former Israeli ambassador to the United States, and U.S. Secretary of State Warren Christopher spoke separately late last week before the Conference of Presidents of Major American Jewish Organizations to try to quell fears that there would be clashes over prospective changes in the peace process.

And this week, Christopher told reporters that it was "premature" to respond to the new government's just-released policy guidelines.

The guidelines reflected an expected harder line than the previous Labor-led government on Palestinian statehood, Jewish settlements and the future of the Golan Heights.

In his private meeting with the Conference of Presidents, Christopher underscored the United States' "unshakable commitment" to Israel, saying that it was imperative not to prejudge the new government or proffer "absolutes" in formulas for achieving peace.

And in an address later that day to the Council on Foreign Relations, Christopher emphasized plans to continue close cooperation with Israel.

"We look forward to welcoming him [Benjamin Netanyahu] to Washington soon after he forms his government," he said. "We will be consulting closely with him and with our Arab partners on how best to sustain the peace process."

Netanyahu is due in Washington in early July.

Insiders believe that there will be a honeymoon period between the two countries at least until the U.S. elections in November because the Clinton administration would be loath to tangle with his Jewish constituency.

After that, even if policy differences intensify, some say it is unlikely that relations would be strained to the degree that they were during the Bush-Shamir years over U.S. loan guarantees and Jewish settlements.

At the meeting with Jewish leaders, Christopher declined to address in any substantive way the issue of settlements, the planned redeployment of Israeli troops from Hebron, and other potential flashpoints, according to sources at the closed meeting.

He did say he had been working with Arab leaders to tone down the inflammatory rhetoric that has surrounded the Arab summit slated for this weekend in Cairo.

'Living in a dangerous neighborhood'

David Harris, executive director of the American Jewish Committee, said after listening to the secretary, "The United States is determined and eager to work closely with Israel on common goals."

"There was no hint of unhappiness or dissatisfaction, or of disagreement down the road, or of any consequences of potential disagreements" with Israel, he said.

Malcolm Hoenlein, executive vice chairman of the conference, said Christopher "is putting significance into building the relationship early on and putting it on the right footing."

"He is acknowledging the new political reality" and "trying to give the government a chance."

For his part, Shoval termed the peace process "irreversible," but said there would be changes and safeguards implemented that recognize that "we're still living in a dangerous neighborhood."

He said the Oslo agreement with the Palestinians

would be "respected and observed" to the degree that it is "respected and observed" by the Palestinians. "No more, no less."

He said that in the Labor government's negotiations, Palestinian "expectations have been raised to unrealistic and unreliable levels and must now be brought down to earth."

"There never was the least chance the Palestinians would get all they demanded," he said.

Meanwhile, centrist Jewish leaders were unruffled by new peace process policy guidelines released this week that deviated from the policies of the previous government.

"There is nothing dramatically different which should ring alarm bells" in any quarter, said Abraham Foxman, national director of the Anti-Defamation League. "They are in keeping with a moderate approach."

The guidelines said that "maintaining Israeli sovereignty on the Golan will be the basis of any agreement with Syria," but that "Israel will not set preconditions for negotiations with Syria." The government, according to the guidelines, will oppose the establishment of a Palestinian state and will fund "increased settlement activity in the Negev, the Galilee, the Golan Heights, the Jordan Valley, and Judea and Samaria."

Netanyahu has not explicitly endorsed the Oslo agreements, avoiding even a mention of the word "Oslo" in his written and oral statements since the election.

Gary Rubin, executive director of Americans for Peace Now, was not as sanguine as Foxman about the impact of Netanyahu's course of action. "We certainly hope what the secretary of state said about continuing the close relationship with Israel will remain true," he said.

"But if Mr. Netanyahu translates into state policy what he has said in his campaign pledges" and implements "the draft guidelines, there inevitably will be conflicts."

Rubin said the flashpoints would come if "state policy encourages the expansion and building of new settlements" in such a way that precludes reaching a final-status agreement with the Palestinians.

Conflicts also will surface if Israel pursues construction on and confiscation of Palestinian land in Jerusalem, and if territorial compromise is ruled out on the Golan Heights and the West Bank, he said. All this "will make the stability the U.S. is seeking to achieve in the region extremely difficult to attain," Rubin said. □

U.S. offers kosher meals in the field

By Anne Miller

WASHINGTON (JTA) — American Jewish soldiers will no longer have to subsist on non-kosher meals in the field, if they so choose.

The U.S. military announced last week that "Meals Religious Kosher" will be available through the regular military supply lines.

The military has contracted a private company, My Own Meals, to produce as many as 200,000 meals per year for three years.

The army estimates that 3 percent of its members have special meal requirements, said Joe D'Onofrio, vice president of operations at My Own Meals. These include Jews who observe kashrut and Muslim soldiers who follow the dietary laws of halal, as well as vegetarians.

Although the armed forces stopped tracking soldiers' religious affiliations after the Korean War, officials estimate that thousands of observant Jews serve in the U.S. armed forces.

Until recently, only soldiers stationed on military bases had access to kosher meals because of the high cost and impractical transportation requirements of kosher field meals. □