

NEWS AT A GLANCE

■ Israel's Cabinet decided to cut nearly \$1.6 billion from its budget next year. The budget cuts are not yet detailed, but are expected to prompt controversy among different sectors. [Page 2]

■ Israeli warplanes blasted a Syrian-backed Palestinian group's base in eastern Lebanon, a strike intended as retribution for an ambush that killed three Israeli soldiers last week. The air raid on the Fatah Uprising base was the first retaliatory attack since Benjamin Netanyahu was sworn into office as prime minister.

■ Senior Israeli government and security officials recommended that the closure of the West Bank and Gaza Strip be significantly eased, saying that it was not effective in preventing terrorist attacks, according to news reports.

■ Militant Israeli settler Rabbi Moshe Levinger was released from prison, four months after being jailed for attacking an Israeli army officer. Officials apparently cut the settler leader's seven-month sentence for good behavior.

■ Two Israeli religious parties, Shas and the National Religious Party, continued contacts in an effort to resolve a crisis about which party should be the first in the two-year rotation to control the Religious Affairs Ministry. [Page 4]

■ First lady Hillary Clinton visited the Auschwitz-Birkenau death camp and met with representatives of Poland's Jewish community in Warsaw. [Page 3]

■ Seventeen students received their master's degrees in the first graduation ceremony for Project Judaica, a program at the Russian State University for the Humanities that is connected to the Jewish Theological Seminary of America and the YIVO Institute. [Page 4]

Because of the Independence Day holiday, the JTA DAILY NEWS BULLETIN will not be published Thursday, July 4.

NEWS ANALYSIS**Netanyahu's visit unlikely to produce major surprises**

By Matthew Dorf

WASHINGTON (JTA) — President Clinton wants Israeli Prime Minister Benjamin Netanyahu to announce a date for redeploying Israeli troops from most of Hebron.

Clinton also wants the Israeli premier to agree to meet Palestinian Authority leader Yasser Arafat.

Netanyahu wants Clinton to tighten economic sanctions on Syria and give his new government continued wiggle room on implementing the peace process.

What the leaders want and what they get during their first meeting since the Likud leader captured the prime ministership is, of course, a different story.

"Netanyahu's going to have to face up to specifics," said Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations.

"But they are not going to negotiate the final status on this trip," he said, referring to talks mandated by Israel's agreements with the Palestinians to resolve the largest sticking points in the relationship: Jerusalem, settlements, refugees and Palestinian aspirations for statehood.

Instead, Hoenlein and others familiar with the proposed agenda for the trip expect anti-terrorism efforts to take center stage during Netanyahu's visit next week.

Official Washington has the red carpet ready for Netanyahu's arrival. Israelis have often said their prime ministers are elected in the Jewish state but come to the White House for their coronation.

When he arrives Tuesday, Netanyahu is scheduled to meet with Secretary of State Warren Christopher and Secretary of Defense William Perry.

Clinton is then planning to receive Netanyahu in the Oval Office.

After spending the night in the Blair House, the official guest quarters for dignitaries, Netanyahu is scheduled to address a joint meeting of Congress and meet with congressional leaders. He is also likely to meet with Republican presidential hopeful Bob Dole.

The trip is scheduled to end July 13 in New York, where Netanyahu plans to speak to the Conference of Presidents and meet with New York Gov. George Pataki and New York City Mayor Rudolph Giuliani.

'What the U.S. wants to hear'

While U.S. officials have remained quiet in public about what they hope to achieve during the visit in order to avoid a clash if Netanyahu does not deliver, the State Department has not masked its desire to push the Israeli leader toward better relations with the Palestinians.

On his recent trip to Israel, Christopher had hoped to secure a promise from Netanyahu to meet with Arafat.

Instead of a promised meeting, America's senior diplomat got a maybe — followed by public statements by Netanyahu reiterating his pledge that he would consider meeting Arafat only if he deemed it in the security interests of Israel.

Netanyahu did, however, authorize a meeting between his foreign policy adviser, Dore Gold, and Arafat.

Christopher had also hoped to secure a promised time frame for redeployment from most of Hebron, the last of seven West Bank cities that Israel still controls.

State Department officials are also apparently holding out some hope that Netanyahu will move forward from his position regarding Hebron. Last week, the prime minister said his Cabinet was still studying the issue.

While there are disagreements about the timing of the key issues, "Netanyahu is saying a lot of what the United States wants to hear," said Hoenlein, who recently returned from a Conference of Presidents visit to Israel. His delegation of current and past chairmen met with senior government officials, including Netanyahu.

With both the U.S. and Israeli administrations hoping for smooth

relations, many observers here expect a simple message next week: "We will work with you and we will work together," said Jason Isaacson, director of the American Jewish Committee's Washington office.

"There will be a lot of reassurances on both sides," he predicted.

But while Israeli and American officials agree on the questions, the answers are likely to be different.

What is most important, said Melvin Dow, president of the American Israel Public Affairs Committee, is that there will be "no surprises from Israel or America."

"Basically, the administration wants to have and expects to have the same type of relationship with Netanyahu" as it did with former Prime Ministers Shimon Peres and Yitzhak Rabin, he said.

But "this will not be a ceremonial visit," Dow added.

Netanyahu postponed his visit "so he had a chance to do his homework and meet with Christopher to develop specific, substantive items to discuss."

Although the White House meetings are expected to focus on peace process issues, Netanyahu has already made a splash on Capitol Hill by calling for a cut in the \$1.2 billion the United States provides Israel annually in economic assistance.

In a pre-election interview that has been cited by lawmakers here, Netanyahu said of the aid, "In the short term, I would maintain it, but I would adopt a long-term plan to wean Israel off American financial aid, beginning with the \$1.2 billion economic aid."

In the interview with the *Jerusalem Post*, Netanyahu added some caveats to his plan.

"If our economy grows as I believe it would, then \$1.2 billion in economic aid will become insignificant. I believe I can achieve this and wean Israel away from the \$1.2 billion within one to two terms in office."

No one expects Netanyahu's proposal to find its way into foreign aid legislation anytime soon.

But the campaign statements have AIPAC, the pro-Israel lobby whose primary mission is to secure aid to Israel, calling any talk of cuts premature.

"A lot can happen in eight years," according to Dow.

The time is not ripe for a cut in aid, Dow said, because "as long as there are negotiations with Palestinians and Israel, psychologically, a cut in foreign aid" sends a message that there is a "diminution of the strength of the relationship between Israel and the United States."

In addition, Dow added that some of the \$1.2 billion could be needed for military expenses in the future to offset the cost of deploying missile defense systems now under development.

But at the end of the day, the AIPAC president said that if Israel offers up a cut in aid, "our position is with the democratically elected government of Israel." □

Israeli Cabinet approves controversial budget slash

By Naomi Segal

JERUSALEM (JTA) — In its first concrete step of its economic agenda, Israel's new government has approved close to a \$1.6 billion cut in next year's national budget.

One day before the budget decision, some 400,000 public employees staged a one-hour strike to protest the government's plan to cut spending drastically and to privatize a number of state-owned companies.

Cabinet members who opposed the budget in Tuesday's 12-5 vote — Foreign Minister David Levy and Defense Minister Yitzhak Mordechai were among them —

said their primary concerns were about slashes to defense and education and the cuts' impact on the low-income sectors of the population.

The cut will help the government fight inflation, now running at about 15 percent a year. The stock market rallied in response to the news of the budget decision.

The vote represented a victory for Finance Minister Dan Meridor, who had the support of Prime Minister Benjamin Netanyahu and Jacob Frenkel, governor of the Bank of Israel.

However, the vote is only one battle in the budget war.

In August, Meridor will present a detailed budget to Cabinet members.

But until then, no specific decisions have been made as to which ministries will have their budgets cut or how much those cuts will be.

The ministers are set to meet early next week to finalize the budget cuts as well as other details of the economic plan.

It is likely that a number of negative economic statistics released this week helped the budget proposal get through the Cabinet.

The Bank of Israel had announced that its monthly integrated index, which predicts the direction of the economy, slipped by seven-tenths of a percent.

This marked the first drop in the index in more than three years.

The Finance Ministry also plans to propose measures soon to lower the 1996 budget deficit.

The 1997 budget must be approved by the Knesset by the end of this year.

Histadrut trade union Chairman Amir Peretz, who called for Monday's strike, vowed a long struggle against the government's economic plan.

Netanyahu has pledged to privatize about a third of Israel's state-owned companies during the next four years.

On Monday, services were suspended at hospitals and ports, and broadcasts ceased at state-run radio and television stations for an hour.

Post offices and other government businesses opened late as employees attended assemblies with representatives from the trade unions to protest privatization.

"All that moves is being privatized without examining whether it's needed or not," Haim Oron, treasurer of the Histadrut Trade Federation, told Israel Radio.

The Histadrut said Monday's sanctions were a "warning" to the government not to take drastic economic measures.

Peretz and Netanyahu met Monday to discuss economic issues.

The prime minister said he would consider the chairman's request to form a socioeconomic council that would be headed by Peretz.

The two also agreed to meet again once details of the government's economic program are worked out. □

Mandela to visit Israel in August

JERUSALEM (JTA) — South African President Nelson Mandela is scheduled to make his first visit to Israel next month.

Israel's Foreign Ministry announced Tuesday that Mandela would arrive Aug. 19.

He also is expected to meet with Palestinian leader Yasser Arafat and to visit Jordan and Egypt.

Alfred Nzo, the South African foreign minister, visited Israel in September.

At that time, he declared his government's interest in forging closer ties with the Jewish state. □

First lady visits Auschwitz and meets with Polish Jews*By Ruth E. Gruber*

WARSAW (JTA) — First lady Hillary Clinton paid an emotional visit this week to the Auschwitz-Birkenau death camp and went to Warsaw to meet with representatives of Poland's Jewish community.

She was accompanied by the Polish first lady, Jolanta Kwasniewski.

Among the representatives of the community at the Tuesday gathering were the chief rabbi of Poland, Menachem Joskowitz, Jewish students and survivors of the Holocaust.

Clinton also was serenaded by 15 pupils from the Jewish kindergarten at the Ronald Lauder Foundation building.

Her visit came one day after officials discovered that more than 60 tombstones in Warsaw's historical Jewish cemetery were vandalized.

Jewish officials here said the vandalism was not representative of all Polish people.

But the officials added that Polish people should stand up and condemn this kind of action.

A Polish Cabinet minister, Leszek Miller, did condemn the act.

Jews here were especially concerned that the incident happened on the eve of the 50th anniversary of the pogrom at the nearby town of Kielce. Forty-two Jews were killed during the 1946 pogrom.

Nobel laureate and Holocaust survivor Elie Wiesel will be among the international figures to participate in the July 7 ceremonies commemorating the pogrom. □

AROUND THE JEWISH WORLD**Budapest school considers new Jewish studies program***By Ruth E. Gruber and Agnes Bohm*

BUDAPEST (JTA) — More than 30 leading scholars from around the world met recently in Budapest to discuss the creation of a Jewish studies program at the Budapest-based Central European University.

Representatives from Europe, North America and Israel took part in the June 13-14 brainstorming session that examined the place of Jewish studies and Jewish memory in the intellectual world of post-Communist Central Europe.

The conference occurred as Jewish studies programs are forming at a number of institutes of higher learning in Central and Eastern European countries.

"It is a positive, but strange phenomenon, given the continuous decline of the Diaspora, particularly in Europe," Sara Japhet of the Hebrew University of Jerusalem said in an interview.

The CEU, set up in 1990, promotes educational development and policy-making in Central and Eastern Europe as well as the former Soviet Union.

The university, which is funded by the Soros Foundation, provides postgraduate education for students from nearly 40 countries.

Most of the academic disciplines offered were neglected under Communist regimes.

Many students are expected to assume high-level positions among the region's next generation of leaders and scholars.

"It is very significant that a new institution such as the CEU should want to occupy the Jewish space in Europe and recognize the significance of the Jewish space in Europe by organizing a course of this kind at such a high level," Antony Lerman, executive director of the

London-based Institute of Jewish Policy Research, said in an interview.

The school said in a statement that a Jewish studies program was important because it "can be a special forum for international interethnic discourse about ethnic politics and national cultures that might prove promising, particularly for younger generations who will grow up in a world in which the Soviet empire, communism and the role of Jews in the history of their countries and the region are memories rather than daily experiences."

The statement also said, "The Jewish question in the history of Central Europe and the former Soviet Union remains an indispensable aspect of national self-definition."

The school's statement also said that "from the perspective of modern Jewish history, the region can be regarded legitimately as the most important since the fall of Rome."

The school addressed anti-Semitism in the statement as well, acknowledging that it is a "continuing reality" in the Central European region.

The academics at the conference debated what the Jewish studies program should include.

CEU Professor Alfred Rieber said, "Do we include the broad sweep of Jewish experience?"

"Or specialize, tailor [the program] to the Central-Eastern European area?"

"Do we want to appeal to people who already have training in Jewish studies? Do we want to draw in people with no experience with Jewish life, but who are attracted to it?"

Some participants felt that it was essential for any Jewish studies program to include a firm grounding in traditional Jewish texts and subjects, including Hebrew and Yiddish.

"Jewish studies in universities should be different from the curriculum in rabbinical seminaries," Hungarian scholar Geza Komoroczy said.

"This difference nevertheless must not mean negligence toward rabbinical tradition," Komoroczy also said.

Others suggested that the CEU should take advantage of its role in the region to focus primarily on contemporary and regional issues rather than the traditional elements of classical Jewish studies.

Anthropologist Jack Kugelmass, of the University of Wisconsin, said social theory and cultural studies involving the contemporary condition of Europe — and the modern history and conditions of Jews in Central Europe — should be a focus.

"This would give the CEU a unique profile in Jewish studies," he said.

"The background against which this is happening is a Europe without Jews."

Another scholar said, "CEU should not do what others are doing, that's not the point.

"It should choose topics that you do not find anywhere else." □

Olympians remember comrades

JERUSALEM (JTA) — Members of Israel's delegation to the Olympics took time out of their training Tuesday to remember the 11 athletes murdered by Palestinian terrorists 24 years ago at the games in Munich, Germany.

The Israeli team gathered at the memorial for the athletes in Tel Aviv.

Team members said they hoped to take some of the slain athletes' spirits with them to the Summer Games in Atlanta. □

Hebrew Union College ordains 2 more Reform rabbis in Israel

By Naomi Segal

JERUSALEM (JTA) — Two Israelis were ordained as Reform rabbis at the Hebrew Union College-Jewish Institute of Religion here this week as the movement renewed its call for religious pluralism in Israel.

Rabbi Sheldon Zimmerman, HUC president, warned of an alienation of the Diaspora if Reform and Conservative streams of Judaism are not recognized in Israel.

"We are not just talking about less political and financial support, which are also likely to happen," he said on Army Radio. "We are talking about Jewish unity."

Religious parties, which won 23 seats in the 120-member Parliament in the May national elections, hold several ministerial posts in the new government of Benjamin Netanyahu.

The increased strength of the religious parties has raised concern that they will try to push through legislation to close down shops and businesses on the Sabbath and holidays, and take other measures that would cut into the lifestyle of secular Israelis.

Other proposed measures, endorsed by the government's policy guidelines, such as barring recognition of any non-Orthodox conversions in Israel, have set off alarms among activists in the Reform and Conservative movements.

"This can cause deep alienation among the Jewish people," Zimmerman said.

So far, 16 Israelis have been ordained as Reform rabbis in Israel, including two women.

Reform and Conservative rabbis are not recognized by the chief rabbinate, which is Orthodox, and thus are not authorized by the state to officiate at weddings, carry out conversions or perform other religious roles.

Knesset member Avraham Ravitz, of United Torah Judaism, dismissed Zimmerman's remarks. "If they want to come here and live here as Jews, fine," he told Army Radio. "The Reform can register as a minority religion. But they cannot pass themselves off as Judaism." □

Religious parties vie for control of ministry

JERUSALEM (JTA) — Shas and the National Religious Party continued contacts in an effort to resolve a crisis about which party would control the Religious Affairs Ministry first.

One compromise under discussion was to appoint Justice Minister Ya'acov Ne'eman, who is not a Knesset member, as minister and to also appoint two deputy ministers, one from each party.

Earlier, both religious parties issued ultimatums to Prime Minister Benjamin Netanyahu, threatening to leave the coalition if they were not given the first two-year rotation in the ministry. □

Russian students complete new Jewish studies program

By Lev Krichevsky

MOSCOW (JTA) — The first 17 students to complete Project Judaica, a Jewish studies program, graduated last week at a ceremony at the Russian State University for Humanities.

Project Judaica is a collaborative effort of the Jewish Theological Seminary of America, the YIVO Institute for Jewish Research and the Russian university, located in Moscow.

Graduates receive a master's degree after completing five years of study in Moscow, New York and Jerusalem.

In addition to their general curriculum at the university's Historical-Archival Institute, the Russian students took courses in Jewish history and literature, biblical studies, Yiddish and Hebrew.

Project Judaica was launched in 1991 on the initiative of David Fishman, a JTS professor of Jewish history. The program marks a historical change in Russian society.

Allan Nadler, director of YIVO, was impressed by a Russian professor who had urged one of the Project Judaica graduates to turn to the KGB archives while doing research on the 1970s Jewish underground movement in the Soviet Union.

Five years ago, one could only dream about "a professor at the Russian university advising a young Jewish student to utilize holdings of the KGB archives in his research of the dissident movement," Nadler said.

More than half the graduates will enter this fall schools in Russia, the United States, England and Israel to pursue doctoral degrees.

In a related development, JTS Chancellor Ismar Schorsch, who attended the graduation, signed an agreement to establish a Center for Biblical and Judaic Studies at the university. □

Australian Jews seek probe into Lyndon LaRouche group

By Jeremy Jones

SYDNEY, Australia (JTA) — The Jewish community recently called on the government to look into the Australian arm of the U.S.-based Lyndon LaRouche political cult after evidence of the group's anti-Jewish activities was broadcast on national television.

The broadcast included testimonies by former LaRouchites who said the group, known here as the Citizens Electoral Councils, was engaged in a "war" against Australian Jews.

Extremist Lyndon LaRouche, who has served five years in an American prison for mail fraud and tax evasion, has an ideology that combines anti-Semitism and bizarre conspiracy theories, such as the claim that former U.S. Secretary of State Henry Kissinger worked for the Soviet KGB.

The ex-LaRouchites on television said tactics included secretly taping meetings and private telephone calls; planting inaccurate information concerning leading Jewish business and community figures with lawmakers, whose comments in Parliament are protected from defamation law; and promoting in other minority groups hostility toward Jews.

Key targets were brothers Isi Leibler, chairman of the governing board of the World Jewish Congress, and Mark Leibler, federal president of the United Israel Appeal and past president of the Zionist Federation of Australia.

In February, two Labor Party parliamentarians said the LaRouchite group were involved in an "unprecedented criminal conspiracy" against prominent Jewish families, including the Leiblers.

Colin Rubenstein, the editorial chairman of Australia/Israel Publications, which has spearheaded research into LaRouchite activities in Australia, said the group's "efforts to defraud and destroy Australian families, and spy on prominent members of the community solely because they are Jewish, demands an immediate federal inquiry."

The Executive Council of Australian Jewry issued a call for the government to investigate "the activities of the Lyndon LaRouche political cult in Australia." □