



NEWS AT A GLANCE

■ President Clinton said he would sign the controversial welfare reform bill, which overwhelmingly passed the House 328-101, but expressed disappointment in the provisions that would hurt legal immigrants. He pledged to send legislation to Congress to counter those restrictions.

■ The National Jewish Community Relations Advisory Council and other Jewish organizations are urging the head of the International Olympic Committee to condemn during his closing speech at the Atlanta Games the 1972 murder of Israeli athletes at Munich. Jewish groups were disappointed that the Olympics committee has declined to mention the slain athletes.

■ An Israeli scholar involved in the negotiations with the Palestinians revealed that the former Labor government had reached an understanding on the creation of a Palestinian state. In exchange, the Palestinians agreed to Israel's annexation of a small portion of the West Bank and dropped demands for a capital in eastern Jerusalem. [Page 3]

■ Israeli Defense Minister Yitzhak Mordechai said Israel might consider releasing jailed Hamas leader Sheik Ahmed Yassin, but not in connection with the information that led security officials to what may be the remains of a kidnapped Israeli soldier. [Page 3]

■ Israeli President Ezer Weizman pardoned a Palestinian woman convicted of attempted murder, but she refused release, demanding that three other prisoners also be pardoned. He has pardoned two other female prisoners, both of whom were convicted of murder.

■ A draft bill that would allow for an expanded Swiss government probe of Holocaust-era Jewish bank accounts has been introduced into Parliament there. [Page 3]

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POLITICAL PROFILE

New envoy to Washington is polished Likud hard-liner

By David Landau

JERUSALEM (JTA) — With the appointment of Eliahu Ben-Elissar, America and American Jewry will be getting one of Israel's most polished and debonair diplomats as the Jewish state's new ambassador to Washington.

But will they also be getting one of Israel's most hard-line politicians, a representative whose political views are to the right of the new Likud-led government of Benjamin Netanyahu?

The key to this question lies in the shape of Netanyahu's own policy positions, which have not yet clearly emerged.

The extent of the new premier's embrace of the previous government's peace policies with the Palestinians is still shrouded in uncertainty.

And conflicting trends within Netanyahu's Cabinet — between hawks such as Infrastructure Minister Ariel Sharon and relative moderates such as Foreign Minister David Levy — have hardly come to the surface, let alone been played out to some stable resolution.

But some sense of where Ben-Elissar sits on the political spectrum may be gleaned from an interview he gave to The New York Times in 1980.

"Of course I'm married to my wife," he had said. "But for sure I'm married first of all to the land. She knows it. This land, this soil. I can't define my attachment to it. It's an attachment like to my mother. It is everything for me — everything."

In the days since he was granted the Washington post, Ben-Elissar has said his basic views have not changed.

But as ambassador, he added, he would "not express myself as I did when I was a politician."

"I will smile more," he said.

Ben-Elissar, 64, who was Israel's first ambassador to Egypt, won the appointment to Washington after failing to attain a Cabinet post in the Netanyahu government. He ran earlier this month for Knesset speaker, but was defeated in a vote within the Likud faction by veteran parliamentarian Dan Tichon. Offered a choice between the U.S. and the U.N. ambassadorial posts, he unhesitatingly pitched for Washington.

He visited Washington last week for meetings with the outgoing ambassador, Itamar Rabinovich. Ben-Elissar will officially take over the post in September.

At 10, Ben-Elissar escaped the Holocaust, leaving Radom, Poland, to go to Israel in 1942. His parents had discovered that a group of Jews was going to be exchanged for German citizens in British hands. A family friend was on the list with her three children, but two of the children had disappeared in the camps. Ben-Elissar pretended to be the woman's son. When he arrived in Israel, he changed his name from Gottlieb.

His father died in a labor camp from disease, and his sister and brother made their way to the United States.

Ben-Elissar's mother was killed in 1947 when she was run over by an American military vehicle just before boarding a ship bound for Haifa.

The young Ben-Elissar reached Israel psychologically wounded, but from 1954 to 1965 he served with distinction in the Mossad, Israel's foreign intelligence secret service, working as an agent, primarily in the French-speaking countries of Europe and Africa.

A Begin appointee

After resigning from the Mossad because of a dispute with the director, Ben-Elissar received a doctorate from the University of Geneva. He had previously studied political science and international studies at the University of Paris.

In 1970, he became a spokesman for Herut, the nationalist party then led by Menachem Begin, and later served as chairman of the Herut World Executive. In the 1977 elections, he sought a slot on the Likud Knesset list, but was edged out in the voting. But when Begin became prime minister in the wake of that election, he made Ben-Elissar the director-general of the Prime Minister's Office.

When the momentous first breakthrough to peace came with Egyptian

President Anwar Sadat's visit to Jerusalem in November 1977, Ben-Elissar was deeply involved in the behind-the-scenes diplomacy leading up to that historic moment.

A month later, he was appointed to head the Israeli delegation to the first formal negotiations with the Egyptians.

Even then, he was seen as a hard-liner on everything connected with the Palestinian issue, which was part of the overall dialogue between Jerusalem and Cairo and which formed part of the Camp David accords signed in September 1978. Despite his stances, his Egyptian counterparts grew to respect his integrity and to like his courtly manners and his genuine respect for their culture and ancient country.

He was a natural choice for ambassador when the two countries eventually set up full diplomatic relations under the peace treaty signed in March 1979.

He resigned as ambassador to Egypt in 1980, when he succeeded Moshe Arens as chairman of the prestigious Foreign Affairs and Defense Committee in the 10th Knesset.

Remaining in that position through the 1980s, he won accolades from all sides for his polite, nearly always impartial handling of the committee, and especially of its critically important secret subcommittees, which conduct their business far from the eyes of the media.

As the peace process with Yasser Arafat's Palestine Liberation Organization began unfolding in 1993, Ben-Elissar became one of its sharpest and most outspoken critics. He refused to soften his attitude toward the Palestinian leader, whom he regarded as a terrorist whose ultimate goal is the obliteration of Jewish independence.

Peace with the Arab world, he had told Prime Minister Yitzhak Rabin, was a fantasy that existed "in the mind of one man only" — a reference to then-Foreign Minister Shimon Peres. He termed the Palestinian self-rule accords "the murder, or attempted murder, of a state."

In an interview with the Israeli daily Ha'aretz this week, the ambassador-designate said he did not retract a single word of his prior declarations.

"But something has changed: We have a different government now. Not a leftist government any longer, but a nationalist government. Certainly our policy will have to find a way to take account of the new realities."

And while saying that his own beliefs would not change, he added that he would, as a diplomat, "change the style of my utterances."

"I will not seem as tough as I have seemed in the past," he said. "I will try to be open, pleasant and convivial with everyone."

Supportive of Levy's meeting with Arafat

Registering perhaps the first such change of style, he professed himself entirely supportive of Levy's meeting last week with Arafat, even though during the previous Knesset he had blasted Speaker Shevach Weiss for doing the same thing.

Fluent in French and comfortable in English, the goateed and exquisitely groomed Ben-Elissar should do well both on the diplomatic circuit and in public and televised appearances.

He expects, he says, a smooth relationship with the Clinton administration if the president is re-elected.

"I don't think we're on [a] confrontation course. The U.S. is interested in stability in the Middle East, as we are, too. They are interested in reaching as many peace agreements as possible, as we are, too."

"We are leaving enough space for negotiations, both with the Palestinians over the permanent status, and with Syria and Lebanon," he told Ha'aretz.

Washington, he added, had learned over the years

"where not to pressure us, where such pressure can produce contrary results." □

(JTA intern Heather Camlot in New York contributed to this report.)

Pollard's wife hospitalized, may call end to hunger strike

By Agnes Bohm

JERUSALEM (JTA) — Esther Pollard, the wife of convicted spy Jonathan Pollard, said she was considering ending her hunger strike after being hospitalized for exhaustion.

She spoke in an interview from a hospital emergency room.

She began the hunger strike Sunday to protest her husband's imprisonment in the United States. President Clinton last week denied clemency for Jonathan Pollard, a former U.S. Navy civilian intelligence analyst.

Esther Pollard, who only drank water since Sunday, was taken to Bikur Holim hospital on Monday for exhaustion and fainting.

During her hunger strike, she gathered signatures for a petition that calls on the Israeli government to pressure the United States to free her husband, who earlier this year was granted Israeli citizenship.

Esther Pollard asserted that her husband would "be freed in 24 hours, if the Israeli government will demand persistently clemency for him."

Jonathan Pollard was arrested in 1985 outside the Israeli Embassy in the United States. In 1986, he pleaded guilty to stealing secrets for the Israeli government and, in 1987, was sentenced to life imprisonment.

Esther married Jonathan Pollard three years ago in a prison ceremony.

On Sunday, Esther Pollard said in an interview, "My husband has been scapegoated by certain agencies in the U.S., and my husband is used as a tool by certain anti-Semitic elements within these agencies to calling into question Israel's reliability as our ally."

She also said, "My husband acted on behalf of Israel and not against it, so it is the responsibility of Israel to get him out of jail." □

Central bank lowers rates, causing share prices to jump

By Naomi Segal

JERUSALEM (JTA) — Share prices jumped Monday on the Tel Aviv Stock Exchange after the central bank lowered interest rates by 0.7 percent.

Jacob Frenkel, Bank of Israel governor, hinted last week that he would cut rates.

But this week's reduction was ultimately higher than expected.

With the reduction, bank lending rates were expected to drop from 17 percent to 16.3 percent.

Frenkel would not commit on whether he would order a further reduction at the end of next month, noting that inflation is still high.

The annual inflation rate is now at 15 percent, more than the 1996 target of 8 percent to 11 percent. But Frenkel said he expects the inflation rate to taper off in the second half of the year.

The Tel Aviv Stock Exchange responded positively to the interest rate reduction. Its two main indices each rose by more than 3.5 percent. But some traders said the rise in share prices was not necessarily a direct result of the interest rate cut, but were part of a general turnaround.

The stock market has fallen by as much as 20 percent since a Likud government was elected May 29. □

Scholar says Peres government was ready for Palestinian state

By Naomi Segal

JERUSALEM (JTA) — The previous government of Israel was ready to accept the creation of a Palestinian state in most of the West Bank, an Israeli academic who played a major part in past negotiations with the Palestinians revealed this week.

In an interview with the Jewish settler magazine *Nekuda*, political scientist Yair Hirschfeld said he and other Israeli and Palestinian negotiators last year reached an agreement in principle that was to serve as the basis of the permanent-status talks, which involve the most difficult issues separating the two sides.

In exchange for a demilitarized Palestinian state in a confederation with Jordan, the Palestinians would have agreed to drop their claims for a capital in eastern Jerusalem, said Hirschfeld, who also took part in secret Israeli-Palestinian negotiations that led to the signing of the 1993 Declaration of Principles. He added that under the informal understandings, Israel would have annexed about 10 percent of the West Bank. The proposed area contains 70 percent of the Jewish settlements in the West Bank.

The understandings are at odds with the policy of the new Likud-led Israeli government. An adviser to Prime Minister Benjamin Netanyahu dismissed the understandings Wednesday, describing them as "an intellectual exercise," because neither side had ever formally endorsed them.

In the *Nekuda* interview, Hirschfeld said the Palestinians also expressed a willingness to establish their capital in Abu Dis, a neighborhood outside the municipal boundaries of Jerusalem.

Secret deals

At the same time, according to the understandings, the Palestinians would have control of the holy sites on the Temple Mount in Jerusalem's Old City and would have partial control of their affairs in eastern Jerusalem.

But the understanding called for Jerusalem to remain under overall Israeli control as the capital of Israel, he said.

Labor Knesset member Yossi Beilin, top foreign policy adviser to former Prime Minister Shimon Peres and a leading architect of the Palestinian peace process, confirmed Wednesday that an informal understanding had been reached.

In interviews with wire services and the Israeli media, Beilin said he was involved in the secret contacts. He also said the understandings could have led to the prompt conclusion of the final-status talks within a matter of months. Many of the details of the informal understandings were floated by Israeli officials working for the governments of Prime Ministers Yitzhak Rabin and Peres.

During Israel's election campaign earlier this year, Likud officials charged that members of the Labor government had reached secret deals with the Palestinian leadership. Labor officials promptly denied those charges.

In public, both Israel and the Palestinians had been vague about their positions regarding the final peace accord.

But Hirschfeld said the understandings were reached well before the May elections.

"These were basic understandings of what can and cannot be done," Hirschfeld told Israel Radio.

"The Palestinians recognized that Israeli security comes first, that the settlements can stay and that the understandings on Jerusalem must recognize the dream of Jerusalem as the eternal capital of Israel," he said.

"The Palestinians were willing to accept all this, on condition that their three basic demands were recog-

nized: an independent Palestinian state, recognition of their vested interests in Jerusalem and borders that are not necessarily drawn by the June 4, 1967, lines, but that no Arab areas east of it are part of Israel."

Although the understandings oppose the views of Netanyahu — first and foremost in his rejection of an independent Palestinian state — Hirschfeld said he believed that they "should and could" serve as the basis for the new government's negotiations with the Palestinian Authority.

Hirschfeld said he had hoped that Peres would have disclosed details of the understandings before the May elections as proof that a permanent settlement could be achieved with the Palestinians.

"In my opinion, it was a huge mistake," Hirschfeld told the Israeli daily *Ha'aretz*. "If we had made this public, the Labor Party would be in power now." □

Israelis consider freeing jailed founder of Hamas

By Naomi Segal

JERUSALEM (JTA) — A day after Israeli officials recovered a body believed to be that of an Israeli soldier kidnapped and killed by Hamas seven years ago, Defense Minister Yitzhak Mordechai said he would consider freeing the fundamentalist movement's founder, Sheik Ahmed Yassin.

Mordechai said, however, that freeing Yassin would not be connected to the return of the remains of Ilan Sa'adon. "We have a lot of military and security subjects on our table, and we are dealing with that," Mordechai told reporters Wednesday after appearing before the Knesset Foreign Affairs and Defense Committee. "This will be addressed only when the security establishment deems appropriate."

Israeli and Palestinian officials agreed this week that it was information provided by the Palestinian self-rule authority that directed Israeli searchers to a section of road along Israel's southern coast. But Israeli leaders have denied that the information was given as part of any exchange for Yassin, who was jailed for life in 1989, or for the bodies of Hamas terrorists in its possession.

Sa'adon was kidnapped while hitchhiking home May 3, 1989, by two Hamas terrorists posing as religious Jews. Israeli authorities later found the abandoned car, which was stained with Sa'adon's blood.

Israeli workers seeking additional remains continued to dig Wednesday near Palmahim, located along the Israeli coast. Bones already found were undergoing identification checks. Sa'adon's mother, Jilbert, underwent a blood test to help with the identification process. □

Swiss introduce bank legislation

NEW YORK (JTA) — A draft bill that would allow for an expanded Swiss government probe of Holocaust-era Jewish bank accounts has been introduced into Parliament there.

The move comes as a six-member commission set up by the World Jewish Restitution Organization, the World Jewish Congress and the Swiss Bankers Association is seeking to determine the whereabouts of money deposited in Switzerland by Jews during the World War II era.

The commission had called on the government to take part in the investigation. The commission, which last week named U.S. Federal Reserve Board Chairman Paul Volcker as its head, is also seeking to uncover looted Jewish assets that were deposited into Nazi accounts.

Legislators may debate the draft of the bill as early as next month. □

Anti-terrorism measures fall short of original Jewish goals*By Daniel Kurtzman*

WASHINGTON (JTA) — Five months after lawmakers gutted anti-terrorism legislation that many Jewish activists had long championed, the renewed push to strengthen America's hand against terrorism does little to advance measures embraced by the Jewish community.

In the wake of the bombing at the Atlanta Olympics, President Clinton has asked Congress for anti-terrorism tools denied him earlier in the year.

The measures Clinton requested, however, are not among those which Jewish activists had sought.

There is still no talk of stricter measures to ban foreign terrorist groups from using the United States as a fund-raising base or stronger language that would allow the government to brand a group as terrorist.

Nonetheless, Jewish groups are likely to back the new measures Clinton has proposed in what he described as a "long, disciplined, concerted, united effort" to combat terrorism.

Specifically, Clinton wants to give law enforcement officials expanded wiretap authority to monitor all communications devices used by suspected terrorists, such as home phones, mobile phones and pagers.

Officials are now limited to monitoring a specific phone number, rather than a specific person.

He also wants to require that explosives contain chemical markers, or "taggants," to make terrorist bombs easier to trace.

The move comes in the wake of the Atlanta bombing, the explosion aboard TWA flight 800 and the bomb attack on U.S. airmen in Saudi Arabia.

Provision scratched

Clinton had initially proposed using chemical markers and expanded wiretapping authority after the Oklahoma City bombing in April 1995.

But the wiretapping measure was struck from anti-terrorism legislation when a rare grouping of conservative Republicans and liberal Democrats raised civil liberties concerns.

And Republicans scratched the chemical marker provision when the National Rifle Association said it would create a safety hazard.

Amid the wrangling over the anti-terrorism bill earlier in the year, Jewish groups did not take a stance on the wiretapping or chemical marker provisions.

Jess Hordes, director of the Anti-Defamation League's Washington office, said the ADL is now "sympathetically disposed" toward supporting the administration's new anti-terrorism effort but is awaiting specific details.

Richard Foltin, legislative director and counsel of the American Jewish Committee, said requiring chemical marking agents in black and smokeless powders "is clearly something that is appropriate and necessary to ensure that we're able to trace back perpetrators to these types of offenses."

Expanded wiretapping authority is something the AJCommittee would also likely support, Foltin added, provided that the language gives "appropriate regard to our concerns about due process and protection of privacy."

At a meeting Monday with congressional leaders, Clinton won pledges of support for strengthening the anti-terrorism law he had signed in April.

House Speaker Newt Gingrich (R-Ga.) indicated that he would work with Clinton to pass the legislation, perhaps as early as this week, but said he wanted to do it in a "methodical way that protects our freedom." □

American jets to fly to Jordan; so will Israeli prime minister*By Anne Miller*

WASHINGTON (JTA) — As a reward for making peace with Israel, the Jordanian air force will soon receive 16 American fighter jets.

Delivered under a no-cost, five-year lease, the jets will satisfy the commitments the United States made to Jordan after the Hashemite kingdom signed a peace treaty with Israel in 1994.

The lease of the fighter jets will cost the United States \$220 million. Last year, the United States forgave \$275 million in Jordanian debts.

News of the lease comes on the eve of an expected visit to Jordan by Israeli Prime Minister Benjamin Netanyahu. Jordanian officials said Netanyahu would meet King Hussein and Crown Prince Hassan, among others, during his visit, which is scheduled for Monday.

The Israeli prime minister was in Cairo earlier this month for talks with Egyptian President Hosni Mubarak.

Jordanian officials said Hussein was expected to travel to Damascus for talks with Syrian leader Hafez Assad before Netanyahu's visit. The visit was postponed because Hussein needed minor ear surgery. He returned from London this week after the surgery was performed.

The acquisition of the U.S. aircraft is part of an attempt by Jordan to modernize its air force, which is made up of planes as old as 20 years. The F-16s "will be used solely for the air defense role," Maj. Gen. Mohammed Ababneh, Jordan's air force chief of staff, told reporters.

Jordan can receive the aircraft via a no-cost lease under the Arms Export Control Act, which allows such an exchange of jets that have flown more than 75 percent of their projected life spans. By leasing the planes instead of selling them outright, the United States saves millions of dollars, Defense Department officials said. □

Israeli backing of treaty draws accolades from U.S.*By Naomi Segal*

JERUSALEM (JTA) — American officials believe that Israel's support for the wording of a U.N. nuclear test ban treaty could help secure the backing of other Middle Eastern countries.

Foreign Minister David Levy this week informed John Holum, the visiting director of the U.S. Arms Control and Disarmament Agency, that Israel had decided to support the text of the Comprehensive Test Ban Treaty.

Holum said he believed that Israel's backing was "very important in securing regional support." He added the hope that Egypt would also throw its backing behind the treaty. Negotiations for hammering out the final language of the treaty, which calls for a complete ban on all nuclear testing, took place this week in Geneva.

For the treaty to go into force, it must be approved by eight nations, five of which are acknowledged nuclear powers. The remaining three — Israel is one of them — are believed to have a nuclear capability.

Another of those three, India, said this week that it would not approve the treaty as written because it lacks a timetable for complete nuclear disarmament.

While Levy accepted the wording of the treaty, he asked that an appendix be added to prevent it from being exploited by some countries to demand international checks of Israel's nuclear facilities.

Israel, which refuses to confirm or deny its possession of nuclear weapons, has resisted pressures from a number of countries, including Egypt, to sign the Nuclear Non-Proliferation Treaty. □