



NEWS AT A GLANCE

■ **At least two Israelis were wounded in a shooting attack on a bus near the West Bank settlement of Neveh Daniel.** The bus was traveling from Jerusalem on the Bethlehem bypass road. [Page 2]

■ **Palestinian Authority leader Yasser Arafat said Israeli government actions on Jerusalem and settlements amounted to a "declaration of war."** Addressing Palestinian legislators, Arafat called for mass protests in the territories and at Jerusalem's Al-Aksa Mosque. [Page 2]

■ **Efforts to restart talks between Israel and Syria continued as U.S. Senator Arlen Specter (R-Pa.) shuttled between the two countries' capitals, carrying messages from both sides.** Specter returned to Israel after talks in Damascus with President Hafez Assad and Foreign Minister Farouk al-Sharaa.

■ **The Anti-Defamation League urged the Clinton administration to deny Louis Farrakhan's request for a waiver of U.S. economic sanctions on Libya that would allow him to accept and receive \$1 billion from Libyan leader Col. Muammar Gadhafi.** U.S. Rep. Peter King (R-N.Y.), meanwhile, called on Secretary of State Warren Christopher to revoke the Nation of Islam leader's passport.

■ **Members of a Bedouin group said they would refuse to leave their encampment near Ma'aleh Adumim, east of Jerusalem, even if ordered to do so by the Israeli army.** Bedouins and dozens of Israeli supporters demonstrated against plans to move the group to a site under Palestinian rule in order to develop Ma'aleh Adumim.

■ **The Japanese foreign minister visited Israel during his Middle East tour.** Yukihiko Ikeda, who wants the Likud government to adhere to the land-for-peace formula to advance peace talks, met with President Ezer Weizman and other officials.

Departing diplomat plays down Syrian tensions as 'artificial'

By Cynthia Mann

NEW YORK (JTA) — Itamar Rabinovich is ever the diplomat.

In his final week as Israel's ambassador to the United States, he will not publicly criticize the Netanyahu government for changing the course the previous government charted toward peace.

This is in spite of the fact that the recent saber-rattling between Syria and Israel is doubtless being felt as a personal blow. Rabinovich lent his considerable academic expertise and prestige to try to craft a peace accord with Syria as the head of his government's negotiating team.

In a telephone interview this week, he dutifully — if a touch ruefully — outlined Israel's current posture on Syria, explaining the rationale behind the "Lebanon First" proposal, which was rejected by the Syrians earlier this month. This called for the withdrawal of Israeli troops from Syria-controlled Lebanon in exchange for the disbanding of Hezbollah militias there.

Prime Minister Benjamin Netanyahu offered it as a "confidence-building measure," Rabinovich said, while noting that the same formula was a non-starter when "we tried this at the onset of negotiations."

"Both sides prefer negotiations to stalemate or conflict," said Rabinovich. Of course, "each side has a very distinct view of what the negotiations should be about," he added.

Syrian President Hafez Assad "wants the cumulative legacy of four years of negotiations with the Labor government to remain," while the other side, Israel, "does not accept the premises" of those negotiations.

The Labor government had accepted the principle of withdrawal on the Golan Heights in exchange for peace.

Rabinovich said it is an open question whether a "new basis can be found" to enable the parties to resume negotiations.

After a spate of suicide bombings in Israel, the talks were suspended in early March by the previous Israeli government, which had been repeatedly frustrated by the slow pace of this track over the years.

Rabinovich, meanwhile, played down recent ominous noises from Israel and Syria, saying that they reflect "artificial tension, not genuine tension."

Netanyahu warned of a painful Israeli retaliation amid reports last week that Damascus might be considering a military option in an effort to force a political solution to the stalemate.

Beyond the heated rhetoric, Syria test-fired Scud C missiles capable of reaching any target in Israel.

A few days later, Israel tested its Arrow 2 anti-missile missile.

'Syrians regard pinpricks as legitimate strategy'

While the situation was "brought under control" this time, a potential for danger does loom, Rabinovich said. That danger lies, in part, in that "the Syrians have regarded pinpricks as a legitimate negotiating strategy."

Those pinpricks include giving the Iranian-backed Islamic fundamentalist Hezbollah movement "great latitude" to operate in Syria, Rabinovich said, adding that the Syrians have believed that such "pressure tactics were legitimate."

"We never accepted this," Rabinovich said, pointing to the two massive military strikes against Hezbollah bases, one in 1993 and one earlier this year.

But the new government "may deal with such attacks more swiftly than before" after having said that "its threshold of tolerating the pinpricks was very low, or non-existent," the ambassador said.

Therefore, "the question remains how Syria will react to a tougher Israeli response to Hezbollah activity."

With all that, the career academician with an always-statesmanlike demeanor waxes philosophical about the change of course in Israeli politics.

He gently reminded an interviewer that "the new government was elected on a platform which explicitly criticized the policies of the previous government on the Syrian track."

At the same time, looking at the peace process overall, Rabinovich, who served as ambassador throughout the dramatic advances in the peace

Because of the Labor Day holiday, the JTA DAILY NEWS BULLETIN will not be published Monday, Sept. 2.

process, cannot suppress all traces of regret. "I suppose, in years to come, a lot of ink will be spilled on the what ifs, and the missed opportunities," he said.

His depth of feeling comes out in his brief mention of the impact of the Rabin assassination in November, which he defines as the "single most devastating moment" of his service in Washington.

"Nothing has been the same since," he stated simply.

As the new government continues to organize, "we are now witnessing a process of groping" with respect to the peace process, he said.

"What you have is a new government in Israel with its own approach," trying to reconcile its fundamental philosophy with a commitment to keeping agreements made by the previous government.

When asked to reflect on the high points of his tenure, Rabinovich reeled off a litany of items. It includes what he called "the closest and most intimate bilateral relationship" between Israel and the United States; the signing of the accords between Israel and the Palestinians and Israel and Jordan; "the first walk in the woods" between Israeli and Syrian negotiators; and "a couple moments" in the Israel-Syria talks "when breakthroughs seemed imminent."

When asked whether he is concerned that U.S.-Israel relations may cool with a new Israeli government and different policies, Rabinovich chose his words carefully and would not elaborate.

"Every relationship cannot be taken for granted and needs to be tended closely," he said.

Rabinovich, who was the target at times of attacks by U.S. Jewish opponents of the Labor-led peace process, said he was knowledgeable about U.S. Jewry before he assumed his post in 1993, but has learned a lot since then.

Confronted efforts to obstruct policy

"Nothing approximates the intensity and intimacy" of the relationship he has had with the community in these last few years, he said.

One of the challenges in this relationship was dealing with what he terms "the first sustained effort" by some American Jewish groups to try to "obstruct the policies" of the Israeli government by lobbying against them in the Congress and administration.

"We had to obstruct the obstruction," he said.

"I will be the first to respect and support the right to express dissent with the Israeli government by writing and speaking about it in their councils, but not to lobby against it in Congress or the administration," he said. "That constitutes crossing the line."

This applies both to the right and the left, he was careful to add.

Meanwhile, Rabinovich believes that the Israel-Diaspora relationship will continue and will thrive "if we work at it. If we do nothing about it, we may drift apart."

His prescription for preserving that connection is youth visits to Israel for a "meaningful" duration. He calls visits to Israel "the single, most effective resonating experience to keep someone within the Jewish fold."

Israel's challenge, in turn, "is to be valuable, interesting and attractive" to Diaspora Jewry.

Rabinovich, who will be replaced by Likud Knesset member Eliahu Ben-Elissar, said he plans to return to Tel Aviv University, where he spent 20 years in many posts, including rector and founding director of the Moshe Dayan Center for Middle Eastern Studies.

During his tenure, he was on leave as the Ettinger Professor of Contemporary Middle Eastern History. He says he will take a sabbatical to write books and engage in Israeli public debate. □

Arafat: Israel waging war against Palestinian people

By Naomi Segal

JERUSALEM (JTA) — Israeli-Palestinians relations reached a new point of crisis this week as Palestinian Authority leader Yasser Arafat accused Israel of declaring war against the Palestinian people.

Arafat called Wednesday for a general strike in the territories to protest the Likud government's settlement policies and positions on Jerusalem.

Responding to the charges, Prime Minister Benjamin Netanyahu warned that Israel would view with "severity" any attempt by the self-rule government to step up violence or friction.

"Extreme statements and actions which do not contribute towards moving the diplomatic process forward should be avoided, especially in light of emerging understandings between Israel and the Palestinian Authority to advance their negotiations," Netanyahu said.

Foreign Minister David Levy phoned Arafat Wednesday evening and warned him against escalating the situation. Arafat reportedly assured Levy that he would not let the situation spin out of control.

Amid this climate of tension, unidentified terrorists carried out a shooting attack on an Israeli commuter bus traveling on the Bethlehem bypass road near the West Bank settlement of Neveh Daniel. Two women were lightly wounded in the attack Wednesday night. Another woman went into heart seizures as a result of the attack and was also transferred to a hospital.

Arafat delivered his attack on Israeli policy in an address before the Palestinian legislative council Wednesday in Ramallah. It was prompted by the demolition the previous day of an eastern Jerusalem building Israel said was illegally built and funded by the Palestinian Authority.

"There will be no Palestinian state without Jerusalem," Arafat was quoted as saying. "Netanyahu should know he is stupid to have started this battle."

Arafat's strong statement also came a day after the Israeli government approved the first phase of a building project for a new neighborhood in Kiryat Sefer, a Jewish settlement in the West Bank.

The decision to approve constructing 900 housing units marked the first approval of a building plan in the territories under the Netanyahu government, which has lifted a freeze imposed by the previous Labor-led government on construction in Jewish settlements.

Arafat calls for Palestinian protests

Addressing Palestinian legislators Wednesday, Arafat called for a four-hour strike to be observed Thursday in the West Bank and Gaza Strip to protest Israel's activities in Jerusalem.

He also called on Palestinians in the territories — as well as Arab citizens of Israel — to participate in mass prayers Friday at Al-Aksa Mosque on the Temple Mount.

Jerusalem Mayor Ehud Olmert, a Likud Knesset member, rejected the Palestinian condemnation of the demolition of what they said was a community center.

"This building was intended for demolition for months. The Palestinians knew that. The building was empty," Olmert told Israel Radio.

Netanyahu said Israel had "no policy to hurt the individual rights of any residents of Jerusalem, Jew or Arab."

Opposition Knesset members warned Arafat against escalating tension, but also levied criticism at Netanyahu. "It saddens me that this government is with a clear head ignoring international agreements signed by Israel," said Labor Knesset member Yossi Beilin. □

ON THE CAMPAIGN TRAIL

At the Democratic convention: Davening, Gore and Hillary, too

By Matthew Dorf

CHICAGO (JTA) — Until Sunday night, the Chicago Jewish community was competing with John F. Kennedy Jr. for the designation of the "hottest ticket in town" at this week's Democratic National Convention.

Hillary Rodham Clinton is scheduled to speak at a reception Thursday morning hosted by the local Jewish community. Space was so limited that only a pool of national television reporters were on the guest list and Jewish delegates from across the country were being turned away.

In the end, Kennedy's *George* magazine won the hot ticket award for its gathering when the local Jews moved the Clinton reception to a 2,500-seat auditorium, allowing them to almost double the guest list.

Praying for Victory

New York state Assembly Speaker Sheldon Silver davened the first-known formal daily minyan held at a convention's headquarters.

About 15 people joined in the Minchah services in the Clinton-Gore campaign Jewish hospitality suite.

After services, worshipers, onlookers and anyone who wandered in snacked on refreshments, which the Orthodox Union had gotten its customers to donate.

The Birth of a Democrat

Little did Rabbi Moshe Faskowitz of Queens, N.Y., president of the Council of Young Israel Rabbis, know that just as he was offering the invocation at Tuesday afternoon's convention gathering, his daughter went into labor.

With references to Genesis, he spoke of the birth of the world, only to learn that a brand new grandson was to be born four hours later.

Everyone is "created in the image of God," he told the delegates.

Christian Coalition Goes Home Empty-Handed

In case there were any lingering doubts that the Christian Coalition has more influence in the Republican Party than in the Democratic Party, a reception here drew a couple of hundred pro-life activists and no party leaders.

Unlike San Diego, where Pat Robertson's group had to turn away speakers from its outdoor, thousands-strong rally, the gathering here came and went with little attention or coverage.

Kosher Catering for Gore

Not to be outdone by their Republican colleagues, Jewish Democrats staged an all-out kickoff with Vice President Al Gore at a renovated dance club in the Windy City's heart.

Kosher caterers fed the flock of more than 1,200 Jewish delegates, elected officials and guests as they anxiously awaited the vice president's arrival.

Another 300 or so guests who crowded the street outside the Park West were treated to an impromptu rally with Gore and Democratic National Committee Chairman Don Fowler.

Amid chants of "four more years," Gore called the Democratic foot soldiers into action.

Those gathered split on the highlight of the evening, according to an unscientific sampling. While some touted the donkey-shaped sugar cookies with hand-dipped chocolate hooves, others focused on the giant disco ball overhead — which remained still during the two-hour reception.

The First Jewish President

Gore revised a favorite joke for the kickoff rally, which was co-sponsored by the National Jewish Democratic Council and the American Israel Public Affairs Committee.

The first Jewish president-elect calls his mother to invite her to his inauguration and the mother — here Gore attempts to sound like the stereotypical Jewish mother — tells her son that Washington is too far, too cold and she has no place to stay.

After assuring her that he will send Air Force One and that she can stay at the White House, the mother finally agrees to come if she can sit next to the vice president.

And for the punch line ...

"In the middle of the oath of office, his mother taps the vice president on the shoulder and says, 'You see that man with his hand in the air — his brother's a doctor,' " Gore said to a round of belly laughs from many in the crowd.

One especially astute guest pointed out that Gore's joke is "fatally flawed."

"The president doesn't get to move into the White House until after the swearing-in ceremony," she said. □

Quebec Jewish groups divided over kosher labels agreement

By Bram D. Eisenthal

MONTREAL (JTA) — Canadian Jewish groups are at odds over an agreement that will enable English-labeled kosher food products to remain on store shelves in Quebec for Passover.

The Canadian Jewish Congress' Quebec region and the province's French Language Office signed an agreement this week that brings an end to a controversy over the Passover products.

This spring, matzah and other kosher products labeled only in English were removed from certain store shelves because they were believed to contravene Quebec language laws, which state that French must also appear on all products and signs displayed in stores. The French Language Office, which is Quebec's language watchdog, has now agreed that special provisions in the law apply for Passover and other time-limited situations.

However, B'nai Brith Canada's Quebec region was sharply critical of the agreement, deeming it a "dangerous precedent." B'nai Brith was pleased that the Quebec government agency acknowledged that the sale of kosher for Passover food labeled only in English is legal.

But it voiced concern in a statement about "the precedent established by the signing of a formal agreement between the French Language Office and Canadian Jewish Congress purporting to define the legal rights of merchants."

Jonathan Schneiderman, B'nai Brith vice president, said the CJC had effectively agreed to act as a "language inspector" for the government.

"By signing this agreement, CJC implicitly acknowledges that outside the Passover season, kosher food must comply with French labelling requirements which, in itself, is a subject of legal controversy," the B'nai Brith statement said.

Jack Jedwab, director of the CJC's Quebec region, called B'nai Brith's reaction "sour grapes."

"I think it is highly unfortunate and regrettable that interorganizational politics should get in the way of the resolution of this sensitive issue," Jedwab said. He said the Montreal communal body that supervises kashrut and the representative body of the city's Sephardi community had joined the CJC in the agreement. □

Israel and Turkey sign new agreement on defense*By Naomi Segal*

JERUSALEM (JTA) — Israel and Turkey have signed an agreement for defense industry cooperation, the second defense pact between the two states.

Defense Ministry Director General David Ivry initialed the accord in Istanbul for the Israeli side.

A military training accord between Turkey and Israel that was signed in February brought Israeli jets to Turkish airspace, as well as a hail of criticism from Arab countries.

Among the staunch domestic opponents was Islamist Welfare Party leader Necmettin Erbakan, who was in the Turkish opposition at the time. Erbakan has since become prime minister and moderated his views toward cooperation with Israel. He removed his opposition to the defense industry pact after receiving an assessment from Turkish military officials.

The cooperation agreement was described as "routine" and similar in nature to agreements Turkey has with some 20 other countries. It will allow for Israel to modify Turkish Phantom jets in a multimillion dollar project whose financing is still being worked out. □

Arab Knesset member joins in discussion of defense cuts*By Naomi Segal*

JERUSALEM (JTA) — An Arab Knesset member who maintained that the policy of excluding non-Jewish legislators from sensitive discussions was discriminatory has succeeded in participating in a parliamentary committee meeting on cuts in the defense budget.

Ahmed Sa'ad, of the Hadash Party, insisted on attending Wednesday's joint meeting of the Finance and the Foreign Affairs and Defense committees at the Defense Ministry in Tel Aviv.

Sa'ad, a member of the Finance Committee, said the agreement, which was reached in the previous Knesset and which excluded non-Jewish Knesset members from taking part in discussions on sensitive issues about state security, was racist. "I see this as discrimination," the freshman Knesset member told Israel Radio. "As if [Israeli-Arabs] are suspicious objects. I am an Israeli citizen, and represent a large segment of the population."

Knesset speaker Dan Tichon acknowledged the delicate dilemma, but said there was no other choice when it comes to state security. "You can't sweep it under the rug, there is a problem," Tichon told Israel Radio. "What if there is a discussion on the flaws in a certain weapon the defense industry has developed? You can have a situation where you have to have a discussion on what exactly is flawed with this weapon, that is currently in use, in order to justify allocating the budget for development."

Sa'ad said nothing was addressed at Wednesday's meeting that could compromise his or Israel's position. But the Arab legislator's participation in that meeting may have been his last. A decision was made to form a subcommittee, which would allow for discussion of defense spending cuts in a smaller forum, according to Israel Television. □

Syria indicates willingness to resume peace negotiations*By Naomi Segal*

JERUSALEM (JTA) — Senior Egyptian officials were actively working this week to jump-start the stalled peace process between Israel and Syria.

After meeting Tuesday with Syrian President Hafez

Assad in Damascus, Egyptian Foreign Minister Amre Moussa said Syria was ready to resume negotiations with Israel if they are based on the land-for-peace principle.

The previous Israeli Labor government, which was open to a territorial concession on the Golan Heights in exchange for security guarantees, suspended negotiations in March, after Syria refused to condemn a series of suicide bombings in Israel.

Netanyahu has called for a resumption of the talks without preconditions, but he also is opposed to any Israeli withdrawal from the Golan.

Syrian Foreign Minister Farouk al-Sharaa, who accompanied Moussa to the airport, said Syria was ready to restart negotiations, "from the point where from they stopped."

An aide to Netanyahu welcomed al-Sharaa's statement and expressed hope that the Syrians would return to the talks without preconditions.

Meanwhile, Egyptian presidential adviser Osama el-Baz met this week in Paris with the diplomatic adviser to Israel's prime minister, Dore Gold, and U.S. Middle East envoy Dennis Ross.

Gold described the meetings as "very useful."

The talks focused on regional issues, including a Middle East economic conference scheduled to take place in Cairo in November.

Last week, Egyptian President Hosni Mubarak threatened to cancel the conference if there was no progress in Israeli-Palestinian talks.

Israeli Prime Minister Benjamin Netanyahu phoned Mubarak to assure him that talks with the Palestinian Authority would resume soon.

The latest efforts to get Israel and Syria back to the negotiating table come against the backdrop of recent reports of Syrian troop movements in Lebanon, which security sources said were prompted by concern about a possible Israeli air attack.

The reported Syrian maneuvers came after Israeli government and military officials warned against possible longer-range Katyusha rockets falling into the hands of Hezbollah that could threaten northern Israeli communities and after the recent test-launch by Syria of a new Scud missile.

Israeli Defense Minister Yitzhak Mordechai sought to calm any alarm, saying Tuesday that Israel was not interested in provoking any hostilities.

Mordechai was speaking in Tel Aviv after a ceremony marking the recent successful test of the Arrow-2 anti-missile missile.

U.S. Ambassador Martin Indyk, who was also at the ceremony for the joint Israel-U.S. missile project, said there was no need for panic.

"We don't think it's a situation that is likely to get out of hand," Indyk told reporters. "I think that President Assad has made clear that he is committed to pursue the peace process as well." □

Israel reduces interest rates

JERUSALEM (JTA) — The Bank of Israel has announced that it is cutting September interest rates by half a percent, due to a slowdown in inflation.

The small reduction from the current interest rate level of 16.3 percent had been widely expected, with experts estimating a cut of three-tenths to half a percent.

Industrialists welcomed the move, but criticized it as too small.

Manufacturers have been calling for interest rate cuts of 2 percent to 3 percent.

Inflation is expected to reach 13 percent this year, despite original target rates of 8 percent to 10 percent. □