

NEWS AT A GLANCE

■ Israeli Prime Minister Benjamin Netanyahu came face to face with Palestinian leader Yasser Arafat for the first time. Netanyahu said the two sides agreed to refer undecided issues — including the thorny point of a redeployment from most of the West Bank town of Hebron — to the joint steering committee that oversees implementation of the peace accords. [Page 1]

■ President Clinton welcomed the meeting at the Erez Crossing between Israeli Premier Benjamin Netanyahu and Yasser Arafat. Clinton is scheduled to meet with Netanyahu on Monday in Washington. [Page 1]

■ Argentina tentatively agreed to award a large monetary settlement to a Jewish businessman who was tortured and forced into exile under the former military government, according to news reports. The South American nation apparently wants to avoid becoming the first foreign government tried in the United States for human rights abuses committed in its own country.

■ The anti-Semitic tract, "The Protocols of the Elders of Zion," was published in Croatia, prompting criticism from Jews as well as mainstream Croatians. Some 500 copies were sold during the first week.

■ Austrian far-right leader Jorg Haider included a Jewish writer, Peter Sikrovski, on his party's list for next month's European Parliament elections, according to a news report. Haider, head of the nationalist Freedom Party, has a following among neo-Nazis and has often been criticized in Austria and abroad for making racist comments.

■ The vice president of the World Council of Orthodox Jewish Communities met in Warsaw with Polish officials and U.S. diplomats to urge that bold steps be taken to stop the repeated desecration of Jewish graves and the defacing of Holocaust monuments. Rabbi Hertz Frankel also recommended that Poland's federal government, rather than local jurisdictions, oversee the country's cemeteries.

NEWS ANALYSIS**Netanyahu-Arafat meeting marks crucial turning point**

By David Landau

JERUSALEM (JTA) — On the face of it, the long-awaited, painfully orchestrated Netanyahu-Arafat meeting that took place this week produced little of substance.

Nevertheless, it would be very wrong — and certainly premature — to write off this meeting as unimportant.

This was a diplomatic encounter of the kind where the fact that it took place at all is much more significant than any specifics that were said.

Both diplomatically and domestically, this meeting may prove in the not too distant future to have been a Rubicon for Prime Minister Benjamin Netanyahu — a line that once crossed, cannot be crossed back.

After talking for just more than an hour, Netanyahu and Palestinian Authority head Yasser Arafat told waiting reporters that the many issues on the agenda between them would be taken up by various joint committees.

There was no specific word about the delayed redeployment of Israeli troops from most of the West Bank town of Hebron. Nor was there any news about prisoner releases or about easing the closure Israel imposed on the territories earlier this year.

"We have to take into account the needs and requirements of both sides on the basis of reciprocity and assurance of the security and well-being of both Israelis and Palestinians alike," Netanyahu said at a joint news conference after the meeting.

"I want to repeat here once again our commitment to security cooperation with Israel and our commitment to cooperate with Israel in all aspects in accordance with the agreement signed," Arafat said.

The atmospherics of the much-anticipated event were lean, too.

Wednesday's meeting at the Erez Crossing, which marks the border between Israel and the autonomous Gaza Strip, involved none of the hugging and hand-holding that characterized the Palestinian leader's meetings with Shimon Peres when he was foreign minister and then prime minister.

And it was even cooler than the more reserved meetings Arafat had with Yitzhak Rabin.

The most the Likud prime minister could do, it seemed, was to provide the photographers with a perfunctory handshake.

There were few smiles or other gestures between the two leaders.

But the fact that Netanyahu, as recently as February, pledged not to meet with Arafat means that something of major political importance transpired this week.

And that Terje Larsen — the Norwegian diplomat who was instrumental in brokering the initial Oslo contacts between the previous Labor government and the Palestine Liberation Organization in 1993 — was shuttling once again between Arafat and Israel to arrange this latest meeting also reflects its significance.

Now the head of the U.N. mission in Gaza, Larsen helped orchestrate days of marathon sessions between Israeli and Palestinians officials, who worked out the preliminaries for the summit. He also shuttled between the offices of Netanyahu and Arafat, ultimately securing their agreement to meet.

Netanyahu charged with 'betrayal'

Larsen announced Wednesday that the joint Israeli-Palestinian steering committee — which oversees implementation of the self-rule accords — would convene Thursday to begin dealing with the issues separating the two sides.

In Washington, President Clinton welcomed Wednesday's meeting.

"It reflects their continuing commitment to resolving their differences through negotiations and to securing a lasting peace," the president said.

On the Israeli political front, the fact that key figures in the Likud and its coalition partners were blasting their leader's "betrayal" at the very moment that the meeting was taking place exemplifies the domestic political complexity of the move that Netanyahu has made.

Science Minister Ze'ev "Benny" Begin, who is opposed to the self-rule accords, said Wednesday that Netanyahu was capitulating to blackmail

and was acting in violation of the government's basic policy guidelines.

Uzi Landau, the Likud chairman of the Knesset Foreign Affairs and Defense Committee, accused Netanyahu of abandoning all his campaign promises.

Knesset member Rehavam Ze'evi of the right-wing Moledet Party said Netanyahu had agreed to the meeting so he could "bring something sweet" to talks scheduled with Clinton next week in Washington.

Netanyahu, who had said he would meet Arafat only if he deemed it in the national interest, justified his actions Wednesday night. "I said that when I feel it is appropriate to meet with Arafat, I will," he said at a Tel Aviv news conference.

"I know this will be a difficult process," he added, "but I know where we are going. I have a plan, a compass. Sometimes you have to move a little to the right, to the left, but I know where we are going."

He announced that Defense Minister Yitzhak Mordechai would meet Sunday with Arafat to continue discussions.

It is not inconceivable that the storm churned up on the right by Wednesday's meeting might develop into a real rift and lead to a serious realignment of forces within the Israeli political spectrum.

Many in Likud and in Labor — Labor leader Peres himself is reportedly among them — believe in the likelihood of this scenario unfolding.

Indeed, Peres, who was an architect of the peace accords with the Palestinians, called Wednesday's meeting "a step in the right direction."

As the peace process intensifies, as international pressures on Netanyahu mount and as the bitterness within his own party ranks deepens, the chance of a Likud-Labor unity government coming into being again will inevitably look brighter.

Meanwhile, looking for a bright spark in the immediate future, observers pointed to Arafat's pledge after the meeting that the "security cooperation" between the Palestinian Authority and Israel "will continue irrespective of our political differences."

The commitment to peace, on both sides, he said, was irrevocable. □

(JTA correspondent Naomi Segal in Jerusalem contributed to this report.)

BEHIND THE HEADLINES

Disenchantment with Arafat growing among Palestinians

By Gil Sedan

JERUSALEM (JTA) — Never before has Palestinian disenchantment with the leadership of Yasser Arafat loomed so large.

In recent months, Palestinians in the West Bank and Gaza Strip have grown increasingly critical of the Palestinian Authority leader, attacking the human rights abuses of his security police and sharply blaming him for the lack of tangible economic benefits from the peace process with Israel.

Their growing discontent became more evident than ever last week, when they failed to respond to Arafat's calls to protest the hard-line policies of the Netanyahu government.

Arafat has stepped up his criticism of Israel in recent days, going so far as to warn of a renewed intifada, or uprising, if the Netanyahu government did not move ahead with the peace process.

In a dramatic appearance Aug. 28 before the Palestinian legislative council in the West Bank town of Ramallah, Arafat called for a general strike the next day

and for a mass prayer at Jerusalem's Al-Aksa Mosque last Friday.

His plan was to rally the Palestinian people for a massive demonstration against Israel for what he charges is Prime Minister Benjamin Netanyahu's intransigence in living up to the terms of the self-rule accords.

But Arafat's call for demonstrations backfired.

The general strike elicited less than the stunning response Arafat had hoped for. In Ramallah, shops were closed, but only after Palestinian police warned merchants that they would be fined unless they closed their stores.

In Hebron, a traditional hotbed of Palestinian resistance to Israel, the local vegetable market operated as usual — an indication that Hamas fundamentalists were calling the shots there, not Arafat.

Nor did events fare better for Arafat last Friday at the Al-Aksa Mosque on the Temple Mount.

Some 20,000 Palestinians showed up — about the usual number who come there to pray on Fridays.

Palestinian officials had expected the number to reach into the hundreds of thousands. They blamed the massive Israeli security presence mounted in anticipation of a large turnout, charging that Israel was infringing on the Palestinians' right to freedom of worship in Jerusalem.

In yet another effort to rally Palestinians behind him, Arafat called for a protest prayer to be held Sunday at the Church of the Holy Sepulchre in eastern Jerusalem. This time, only several hundred Palestinians showed up.

Three failures

During the past week, Arafat tried three times to harness Palestinian discontent. And three times he failed — because much of that discontent was aimed at him.

"Why do you think people did not show up en masse to Friday prayers in Jerusalem, as Arafat had called for?" said Mina, 23, a student at Bir Zeit University, which is located near Ramallah.

"It is not only because the Israelis made passage from the autonomy to Jerusalem very difficult. It is mostly because they saw no reason to respond to his call."

Arafat even took the blame for the large number of Israeli security officials who prevented Palestinians from attending the Al-Aksa demonstration.

"Why, he isn't even strong enough to ensure our freedom of worship," said Mustafa Abdul Hamid, 68, of eastern Jerusalem.

If peace cannot even ensure Palestinians the freedom of worship, he added, then it cannot be called peace.

The disenchantment with Arafat is even more striking when compared with the strong measure of support — 88 percent of the vote — Arafat received when he was elected president of the Palestinian Authority in January.

Along with complaining about the lack of results from the peace process, Palestinians have increasingly spoken out against what they see as Arafat's authoritarian rule.

The bleak human rights record of the Palestinian Authority — cited by both Palestinian and outside monitoring groups — has included the arrests of political opponents, torture of prisoners and practically no freedom of speech.

"Arafat is such a dictator that he even dared order Arab citizens of Israel to participate in the general strike," said Mina, the Bir Zeit student.

Like other Palestinian students, Mina did not believe that Arafat had the ability to launch a renewed intifada.

"If there is a new intifada," said Mina, "it will be just like before, it will come from the people. It will not be in response to Arafat's orders." □

BEHIND THE HEADLINES**Would-be Russian emigrants ponder impact of welfare reform***By Lev Krichevsky*

MOSCOW (JTA) — Mikhail, a 62-year-old journalist in Moscow, has been planning to immigrate to America for several years.

He was ready to settle in Maryland, where his elderly mother, as well as a younger brother and sister, have lived since the early 1980s.

But now that President Clinton has signed welfare reform legislation that will affect new immigrants, Mikhail is reconsidering his move.

"I don't know what to do now," said Mikhail, who asked that his full name not be used.

"I received many calls from my relatives and friends in America who are clearly worried that if I come today, I might have a rough time there," said Mikhail, whose immigration papers are all set.

The newly enacted and highly controversial welfare reform legislation has already sent alarm bells through Russian emigre communities in the United States.

The bill has also sparked concern in the organized American Jewish world, where officials worry that they will be faced with having to make up for the loss of benefits to Russian Jewish emigres.

Here, in Russia, the new legislation received little coverage in the media, but would-be emigrants are hearing about the possible consequences from relatives in the United States.

They are also turning to local sources to glean whatever information they can.

Despite the scare, the new welfare legislation is not likely to reduce the number of Jews emigrating from Russia to the United States, according to Mikhail Chlenov, who is president of the Va'ad, the Jewish Confederation of Russia.

The reasons behind Russian Jewish emigration are such that not many people would change their mind because of the bill, he said.

"Those who are coming to America these days wish to be reunited with their families or to improve their social and economic status," said Chlenov.

In addition, he said, some Jews are influenced by an "old Russian Jewish myth about America as a golden land."

Well-founded fear

Still, the situation of Mikhail, the journalist, illustrates the dilemma of many would-be emigrants who expect to qualify for some form of government assistance and now may wonder how they will cope.

Mikhail, who suffers from diabetes, said he is afraid of being denied access to Medicaid, which is for him the most important benefit he would receive after moving to the United States.

Most Russian Jews now immigrating to America come as refugees, categorized as such because they have demonstrated a well-founded fear of persecution because of race, religion, nationality or social or political ties.

Refugees will be affected by the new welfare law five years after their arrival in the United States.

At that time, refugees' special, protected status expires.

That status enables them to receive eight months of government refugee assistance after their arrival and then to apply for a range of other benefits.

Under the new law, if refugees like Mikhail do not opt for citizenship or fail to obtain it after five years, they will be barred from Supplemental Security Income and

food stamps as well as other programs from which states may choose to bar legal immigrants.

During the past 20 years, the Hebrew Immigrant Aid Society has helped to bring 350,000 Jewish refugees from the former Soviet Union into the United States.

This year, HIAS is expected to facilitate the immigration of about 21,500 Jewish refugees from the former Soviet Union.

About 35 percent of those refugees are from Russia.

Professionals at HIAS have estimated that thousands of Jews already in the country could lose their eligibility for these benefits under the new welfare legislation.

The new welfare law will have an even more immediate impact on future legal immigrants from the former Soviet Union who are not classified as refugees.

Until now, few Russian Jews have left the country as legal immigrants rather than refugees, but this situation could change.

An increasing number of Russian Jews are expected to leave for America as immigrants because their immediate relatives already living in the United States are naturalized and are able to support them, according to Chlenov.

Under the new law, legal immigrants will be barred from most benefits for the first five years, at which time they are eligible for citizenship.

Afterward, they will be subject to newly stringent eligibility requirements.

Those who are continuing with their plans to emigrate soon say they are counting on relatives in America for help rather than on government benefits.

"I will go in spite of the [welfare] reform," said a 68-year-old man from Moscow who asked not to be identified.

"My relatives have lived in California since 1978. They will definitely help me if I need it," he said.

Another future immigrant to America, a 72-year-old retired Russian language teacher, said she got a letter from a younger sister in Texas who is taking English lessons in order to pass the citizenship test next year.

"She has to memorize some 120 typical questions so she is not taken off guard at the exam," the woman said of her sister, who moved to America four years ago.

If her sister fails to acquire citizenship next year, she will be cut off from such benefits as SSI and food stamps, she said.

'Didn't seem interested'

Ada Shmerling, editor of the emigration section in *Inostranets*, or the *Foreigner*, a weekly Moscow newspaper that covers issues of emigration and international tourism, said many people are calling her editorial office to find out about the details.

"Many people are worried that the new legislation will cut them off from any kind of benefits," she said, adding that the general media "didn't seem to be much interested in this topic."

She said the American Embassy could not give emigrants any information because it performs only the technical function of processing documents.

Oksana Glazman, an expert with the Movement Without Frontiers, a Moscow-based human-rights group that counsels people seeking to immigrate to the United States, said very few people had turned to her group for information about the new welfare law.

"Most of our clients know the necessary details from their family members living in the States," according to Glazman. □

Family of woman killed in Gaza seeks addition to terrorism law*By Shawn Cohen**Washington Jewish Week*

WASHINGTON (JTA) — The counterterrorism legislation approved earlier this year made it possible for Americans to sue international sponsors of terrorism, but failed to specify whether punitive damages could be sought.

This omission, a seemingly tiny detail in a complex and far-reaching bill signed in April by President Clinton, actually is a major oversight that could affect a series of lawsuits filed or soon to be filed against alleged Iranian and Libyan sponsors of terrorism.

So says Steven Perles, a Washington, D.C., attorney representing Steven and Rosalyn Flatow, the parents of Alisa Flatow, a 20-year-old New Jersey woman who was killed in a terrorist attack last year in Israel.

Current federal law allows victims' families to sue for economic damages in terrorist cases, but this is basically limited to material losses such as lost future earnings.

Perles is planning a lawsuit against the alleged Iranian-backed perpetrators of the Flatow incident. But he is delaying the suit while pressing for additional changes to federal law that could improve his chances of success. Specifically, he is asking members of Congress to amend further the Foreign Sovereign Immunities Act by allowing Americans to sue for punitive damages in terrorist cases.

The act, which had provided foreign states with legal cover against international lawsuits, was amended by the April bill to allow suits in American courts against foreign governments for state-sponsored terrorism.

"These [additional] changes are important, more important than the layman can conceptualize," said Perles, who has litigated numerous cases related to the act.

He helped U.S. citizen Hugo Princz win long-denied compensation from the German government for Nazi imprisonment and maltreatment during World War II.

Being able to sue for punitive damages "can mean the difference between winning" \$500,000 and \$50 million, Perles said.

Preparing amendment

Perles, who began work on the Flatow case last spring, after the original terrorism bill was passed, says he started seeking additional changes to the Foreign Sovereign Immunities Act earlier this summer, approaching Sens. Alfonse D'Amato (R-N.Y.) and Frank Lautenberg (D-N.J.), and Reps. James Saxton (R-N.J.) and Charles Schumer (D-N.Y.), among others.

Staffers for D'Amato, who are consulting Perles, are preparing an amendment that likely will be presented to a House-Senate conference committee later this year and be attached to the foreign operations bill, according to a D'Amato aide.

While current federal law does not allow for the pursuit of punitive damages against states in cases of terrorism, it does not rule out pursuing punitive damages against government-backed agents of terrorism, Perles said.

"The law is silent as to whether a state is financially responsible for punitive damages of its 'instrumentalities,'" he said. "It's a frightful can of worms. That's why I'd like to get some congressional guidance before filing."

According to Perles, State Department officials have confirmed that the Islamic Jihad was responsible for the April 1995 bus bombing in Gaza and that Iran is the principal sponsor.

Steven Flatow, who is himself an attorney, said

that if the proposed changes are not made, "then this suit becomes nothing but a waste of time and dollars."

Even with the modifications, Flatow said, the action is a long shot. "Whether this will be successful or not, that will take seven or eight years to figure out. I tend to be a pessimist in these types of fields. But I hope the suit itself will be enough of a deterrent to get them (Iran) to think twice about what they're doing." □

Lubavitch rabbi in Australia may save professional team*By Jeremy Jones*

SYDNEY, Australia (JTA) — Joseph Gutnick, an ordained Lubavitch rabbi and mining magnate, emerged last week in a new role as the potential savior of an Australian professional soccer team, the Melbourne Demons.

Gutnick, who appeared last year in the Top 20 in the Business Review Weekly annual list of wealthy Australians, is the chairman and director of nine public companies. The 44-year-old Gutnick described himself as a "loyal emotional supporter" of the Melbourne Demons, though he rarely watches the team play because nearly all the games take place on the Sabbath.

In the past, this father of 10 has come to the aid of his old school, Yeshivah College in Melbourne, and is known as a generous benefactor of Jewish community concerns in Australia and abroad. Gutnick said he could run gold mines without being present and therefore is sure he could play a leading role in an Australian soccer club without attending matches on the Sabbath. □

Czech leaders help observe Jewish museum's anniversary*By Randi Druzin*

PRAGUE (JTA) — The Jewish Museum in Prague observed its 90th anniversary last week, affirming the resurgence of the Czech Jewish community.

Czech President Vaclav Havel and other Czech officials were on hand when museum Director Leo Pavlat unveiled a plaque recognizing the history of the museum at the Aug. 29 ceremony.

The plaque states — in Czech, English and Hebrew — that the building now designated as the museum's administrative center housed a Jewish elementary school between 1920 and 1942, and that its teachers and pupils perished in the Holocaust.

Havel opened the museum's new educational and cultural center, which will provide in-depth historical information about the Jewish communities in Bohemia and Moravia.

The museum was established at the turn of the century in an effort to preserve artifacts from two synagogues that had been destroyed during a renovation of Prague's Jewish Quarter. During the Nazi occupation of Czechoslovakia, local Jews proposed that precious Jewish artifacts be added to the museum's collection. Nazi authorities approved of their suggestion, intending to build a museum of "an extinct race."

Nearly all the museum's workers were deported to concentration camps. Some 80,000 Czechoslovakian Jews died in the Holocaust. The Council of Jewish Communities administered the museum from the end of the war until 1950, when it was nationalized by the Communist regime.

Both its buildings and its collections were returned to the Jewish community in September 1994. Today, the museum, which includes two synagogues and the old Jewish cemetery, houses 40,000 artifacts and is the most visited museum in the Czech Republic. □