

## Hopes for peace raised amid bloodshed

### New bombings break into accord efforts

MADRID, Spain — Arabs and Israelis alike voiced hopes Tuesday for forging a lasting accord, but new bloodshed stained the eve of historic Middle East talks. A bombing by the fundamentalist group Hezbollah killed three Israeli soldiers in southern Lebanon, and Israel

responded hours later by bombing what it said was a Hezbollah base in Nabatiyeh, eight miles north of the Israeli border.

In Beirut, a rocket hit the wall of the U.S. Embassy compound. There were no immediate reports of injuries or serious damage.

Radical Shiite Muslim and Palestinian groups have promised to attack the United States and others involved in the Madrid peace conference opening today, which they oppose because it could lead to Arab recognition for Israel.

The latest such threat came from Hezbollah leader Abbas Musawi, who held a news conference in south Beirut to proclaim today "a day of Islamic wrath and mourning to protest against American attempts to impose hegemony on the Muslims."

Underscoring fears that the conference could be derailed, Palestine Liberation Organization chief Yasser Arafat warned that "extremist" Arab groups could threaten the gathering's chances for success.

Arafat, in an interview broadcast on German television, expressed broad

support for the Palestinian delegation to the talks, and optimism about the outcome of the talks.

The PLO was not formally represented in Madrid because Israel regards the PLO as a terrorist organization and refuses to deal with it.

In statements in Madrid on the eve of the talks, Palestinians struck a conciliatory stance. Faisal Husseini, leader of a group of advisers accompanying the Palestinian delegation, endorsed negotiations for autonomy within the occupied territories rather than immediate statehood.

On the Israeli side, there was a hint that Prime Minister Yitzhak Shamir might be willing to at least talk about the idea of territorial concessions.

"We believe and are convinced it belongs to us since thousands of years," he told NBC-TV on Monday. "Maybe the Palestinians believe the same. Then let us negotiate how to settle it, how to find a way to avoid war."

Hanan Ashrawi, a key adviser to the Palestinian delegation, said Tuesday that the statement boded well for the conference.

### Bush reassures Gorbachev, vows to 'deal with' him

MADRID, Spain — President Bush on Tuesday wrapped a reassuring arm around Mikhail Gorbachev, declaring that the embattled Soviet leader is the man the United States will "deal with" in renewed talks to reduce long-range nuclear weapons.

In their first face-to-face meeting since the abortive Soviet coup three months ago, Bush also promised food and other humanitarian aid to help Gorbachev's economically weak nation. But he gave no indication at their joint news conference that he was prepared to provide direct financial assistance.

Together, Bush and Gorbachev will open the historic Mideast peace conference today. And after their two-hour lunch Tuesday, they appealed to Arabs and Israelis to reconcile their differences.

Bush used the news conference to stress his respect for the Soviet leader and his determination to keep working with him in the face of pressure from individual Soviet republics for separate dealings with the United

States.

"I have had a history of very satisfactory negotiations with President Gorbachev," Bush said. He said his administration and the American people support Gorbachev in seeking Soviet reform, "and so we'll deal with what's there. And I am very happy to see my friend again."

Despite the coup attempt, which left Gorbachev under arrest for three days, "I sense no difference in how we talk and the frankness with which we exchange views; no difference certainly from my standpoint, in the respect level for President Gorbachev."

Gorbachev bristled when a Soviet reporter asked who was in charge in Moscow while he was in Madrid. "I'm still the president," said Gorbachev, who faces challenges to his power from the restive republics. "Nobody's taking my place."

As for arms reductions, Bush said, "Our schedules are very close." He said he would send Undersecretary of State Reginald Bartholomew and other U.S. experts to Moscow to try to



Brian Shellito/DN

bridge differences in the sweeping proposals the two leaders made last month.

He said the two men want to go forward with ratification of two existing arms control treaties covering long-range nuclear weapons and conventional forces in Europe

### Palestinians signal intent to negotiate on statehood

MADRID, Spain — In a marked departure from decades-old hard-line attitudes, Palestinians signaled Tuesday that they would settle for autonomy instead of demanding immediate statehood.

Faisal Husseini, the PLO-approved supervisor of the Palestinian negotiating team, said statehood remained the ultimate goal. But he said Palestinians would negotiate with Israel in the Middle East peace conference that opens today about limited self-rule for the 1.7 million Palestinians in the occupied West Bank and Gaza Strip.

Evident from Husseini's statement was that statehood has become the target of more realistic hopes, rather than a condition that Israel would never accept. It underlined the evolving pragmatism among Palestinians, considerably weakened by the changing international political climate.

The Palestinians will demand that Israel freeze settlement construction in the land seized from Jordan and Egypt in 1967, but will stay at the talks in Madrid no matter how tough

the bargaining, delegates and advisers said.

The conference opens with the Palestinians attending in a joint delegation with Jordan. They hope to have an independent team when bilateral talks begin between Israel and its adversaries — Jordan, the Palestinians, Syria and Lebanon.

The 14 Palestinian negotiators are led by Haidar Abdul-Shafi, a 71-year-old physician from Gaza. An advisory committee headed by Husseini is overseeing the official delegation.

Asked what the Palestinians were shooting for, Husseini said: "Autonomy for an interim period that will move us, Palestinians, from a people under occupation to a people with full independence and a Palestinian independent state that will later join in a confederation with Jordan."

Israel rejects the notion of a Palestinian state in the West Bank and Gaza Strip. But Israeli officials have said an agreement on autonomy could be a key achievement of the Madrid peace negotiations.

## U.S. economy registers advance after year-long period of decline

WASHINGTON — The U.S. economy started growing for the first time in a year, posting a 2.4 percent advance from July through September, the government said Tuesday in a report hailed by the Bush administration as proof the recession is over.

Private economists worried about more recent signs of sluggishness, including another report Tuesday that showed consumer confidence plummeting in October as Americans grew more concerned about the economy and job prospects.

The Commerce Department said the gross national product, the country's total output of goods and services, climbed at the fastest pace in 2 1/2-years following three

consecutive quarterly declines as the country struggled through the recession.

Treasury Secretary Nicholas Brady and Commerce Secretary Robert Mosbacher said the increase was encouraging.

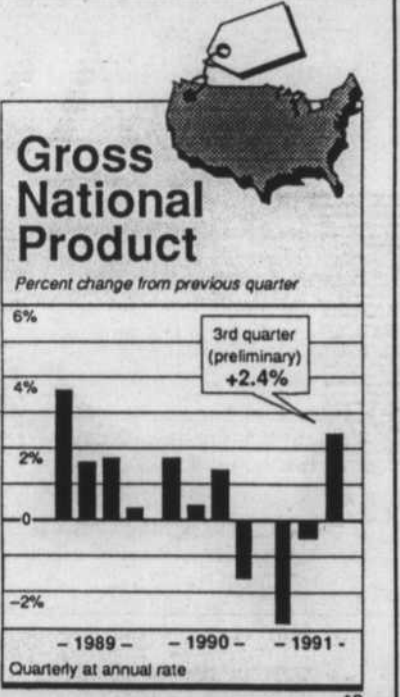
"The recession is over," said Mosbacher. Although he told reporters that the growth rate is "not as fast as we would like to see," he said he did not expect any type of double-dip recession in which the country lapses back into recession after a period of weak growth.

Other economists, surveying the GNP report, saw plenty of reason for concern that one or two quarters of growth will be followed by another recession, something that

has occurred in five of the last eight downturns.

Analysts were particularly worried about a report from the Conference Board that consumer confidence plunged 12.5 points in October to 60.4, when compared to a base of 100 in 1985. That left the closely watched confidence reading only six points higher than it was in the depths of the 1981-82 recession.

Economists said the big drop in consumer confidence apparently reflected a rash of weak reports on the economy in past weeks pointing to a stall in factory production, falling retail and home sales and further layoffs, especially in white collar businesses.



## Man with HIV sentenced to house arrest

### Former girlfriends both have AIDS

PORTLAND, Ore. — A 27-year-old man has been sentenced to sexual abstinence for five years and house arrest for six months for knowingly spreading the AIDS virus by having sex with a girlfriend.

Alberto Gonzalez, who was accused of infecting 22-year-old Bridgett Pederson, pleaded no contest Monday to third-degree assault, a felony, and two misdemeanor counts of recklessly endangering others.

Prosecutors dismissed nine other charges, including a count of first-degree assault that alleged Gonzalez used a dangerous weapon — the AIDS virus — to intentionally inflict serious injury.

David Peters, the deputy district attorney who prosecuted Gonzalez, said Tuesday he would have been able to show that Gonzalez knew he carried the virus when he began his relationship with Pederson.

Shawn Hop, a previous girlfriend who would have been a key witness for the prosecution, has said she and Gonzalez both discovered that they were HIV positive when they visited a plasma center last year.

"He intentionally kept girlfriend one and girlfriend two from ever meeting," Peters said. "He consciously kept the second one from getting the information she would have needed to protect herself."

Both women said they fear Gonzalez has infected others. They said he frequented nightclubs and often made advances toward other women, even during his relationships with them.

Pederson remains in good health. Gonzalez told Multnomah County District Judge Janice R. Wilson that he suffers slight symptoms of AIDS.

**Daily Nebraskan**  
 Editor: Jana Pedersen 472-1766  
 Managing Editor: Diane Brayton  
 Assoc. News Editors: Stacey McKenzie, Kara Wells  
 Opinion Page Editor & Wire Editor: Eric Pfanner  
 Copy Desk Editor: Paul Domeier  
 Sports Editor: Nick Hytrek  
 Arts & Entertainment Editor: John Payne  
 Diversions Editor: Bryan Peterson  
 Photo Chief: Shaun Sartin  
 Night News Editors: Chris Hopfensperger, Cindy Kimbrough, Alan Phelps, Dionne Searcey, Brian Shellito, Katherine Policky  
 Art Director: Bill Vobejda 476-2855  
 Production Manager: Don Walton 473-7301  
 Publications Board Chairman  
 Professional Adviser

The Daily Nebraskan (USPS 144-080) is published by the UNL Publications Board, Nebraska Union 34, 1400 R St., Lincoln, NE. Monday through Friday during the academic year; weekly during summer sessions. Postmaster: Send address changes to the Daily Nebraskan, Nebraska Union 34, 1400 R St., Lincoln, NE 68586-0448. Second-class postage paid at Lincoln, NE.

ALL MATERIAL COPYRIGHT 1991 DAILY NEBRASKAN

## Japanese corporations to invest \$1 billion in Time-Warner Inc.

TOKYO — Toshiba Corp. and Japan's biggest trading company will invest \$1 billion in Time Warner Inc., under a cautious deal announced Tuesday that will mix Japanese electronics and Hollywood creativity without changing owners.

The U.S. media and entertainment giant will spin off three of its five divisions to create a new \$20 billion company, Time Warner Entertainment, in which Time Warner will retain an 87.5 percent share. Its magazine and record businesses will not be affected.

The new company represents a "global partnership" among Toshiba's consumer electronics — particularly high-definition television, Time Warner entertainment properties such as Warner Bros. movies and HBO

cable TV, and Itoh's world distribution network and satellite business, officials said.

Toshiba and C. Itoh are each to contribute \$500 million for a 12.5 percent stake in the new company and a combined 50 percent interest in a subsidiary Japanese distribution company, Time Warner Entertainment Japan.

"Unlike the 100 percent foreign acquisitions of companies like Columbia Pictures, MCA, CBS Records and RCA Records, our new alliance sets up a partnership structure at the subsidiary level that... maintains our commitment to American ownership and control of Time Warner Inc.," Time Warner's chairman, Steven J. Ross, said in a statement from New York.

The Japanese minority stake also reflects growing Japanese doubts about swallowing U.S. entertainment companies whole, as well as the wisdom of completely merging software and hardware companies, analysts said.

In the last few years, Sony and Matsushita, two other consumer electronics giants, have acquired major U.S. film studios, causing both financial troubles and political frictions for the companies.

Time Warner will retain operating and creative control over the joint venture. But it allows Toshiba to gain insights into the latest entertainment software, just as Time Warner wants to keep abreast of the latest in videocassette players and other equipment for its films and TV programming.