

**HEAD OF NAZI-HUNTING UNIT  
NAMED NEW DIRECTOR OF AIPAC**

By Larry Yudelson

NEW YORK, Feb. 10 (JTA) -- After days of heated debate and confusion, the American Israel Public Affairs Committee has chosen Neal Sher to be its new executive director.

The powerful pro-Israel lobby's officers selected Sher, currently director of the Justice Department's Office of Special Investigations, on Thursday, after their earlier recommendation that he share the post with current Acting Executive Director Howard Kohr fell through.

The appointment requires ratification by AIPAC's executive committee and will probably take effect at the beginning of March.

"I am very excited, very enthusiastic and very honored that the faith and trust has been placed in me by the officers of AIPAC," Sher said in a telephone interview with members of the Jewish news media.

He said the transition from hunting Nazis to lobbying for Israel is "very natural."

"At OSI, I am dealing with the past. At AIPAC, I am dealing with the present and the future. It is a transition, and the circle sort of closes," said Sher.

Kohr plans to remain at AIPAC, returning to his position as managing director. According to a spokesperson, he looks forward to working with Sher for a smooth transition.

Such a transition would cap a particularly rocky search process, which began with the resignation last June of Tom Dine after the publication of remarks he had made denigrating fervently Orthodox Jews.

According to a version of events described by former employees of the lobby, the remarks were in fact a pretense by AIPAC officers who sought to remove Dine for other reasons.

Those officers, according to a member of the search committee, were strong advocates of Kohr throughout the search process.

**A Changing Of The Guard**

By contrast, AIPAC President Steven Grossman, according to sources, was a supporter of Sher during at least the latter stages of the selection process. It was at that time that a conflict emerged between an "old guard" of former AIPAC presidents, who favored Kohr, and Grossman and others, who thought change was needed.

According to Douglas Bloomfield, a Washington analyst who formerly worked for AIPAC and still follows events there closely, key leaders of the old guard had threatened to leave the organization if Kohr was not selected.

These threats, said Bloomfield and sources familiar with the situation, led to the compromise idea of a joint directorship.

But that compromise was rejected by Kohr on Tuesday morning, shortly before the executive committee was expected to approve it.

Seen in this light, the selection of Sher represents a victory for Grossman, at the expense

of the "old guard," which was Republican. But Grossman, who is a Democrat, denies that version.

He said reported threats that some officers would walk away from the organization were "simply not true."

Seen in this light, the selection of Sher marks a victory for Grossman over the old guard.

But Grossman himself said the report of threats by some officers to walk away from the organization was "simply not true."

"Every one of the past presidents was on the call today" that selected Sher unanimously, Grossman said Thursday.

However, a source on the search committee said the first vote taken by the officers Thursday strongly favored Sher but was not unanimous.

Grossman said all the AIPAC officers "expressed strong support for the decision, and expressed unwavering support for the cause and organization."

**'Strong Bipartisan Support'**

"They look forward to working with Neal, to introducing Neal to people on both sides of the aisle and within the administration," he said.

One mark mentioned against Kohr was his identity as a Republican and former head of the National Jewish Coalition, a Republican group.

Sher described himself as non-partisan, having served under two Democratic and two Republican administrations.

"As a federal official for about 15 years, I cannot participate in partisan politics. I am not a Democrat or a Republican. I am neither Labor nor Likud," he said.

"At my work in OSI, I have been issue-oriented," he added. "I have worked very hard at developing a strong bipartisan support for this office, and it has been very successful and a major reason the office has been around as long as it has."

On Capitol Hill, there were words of praise Thursday for Sher. "I know Neal well, having worked closely with him while he headed up the Office of Special Investigations," Rep. Charles Schumer (D-N.Y.) said in a statement.

"Neal is smart, savvy and sophisticated. AIPAC has been an effective fighter for Israel. I have no doubt that will continue under Neal's leadership," Schumer added.

"I think that it was a good choice," Rep. Eliot Engel (D-N.Y.) said in an interview. "He is certainly an experienced person with regard to Washington, Israel and issues of concern to the Jewish community. He did a very effective job with his OSI office," Engel said.

"It's a wonderful thing for the organization," said one knowledgeable Capitol Hill staffer.

AIPAC needed to select someone with charisma who could get its "agenda through to a larger community," the staffer said. "Sher is a proven, national figure, and Howard Kohr is not."

In addition, the staffer said selecting Kohr would have been a political move, and "AIPAC should not be partisan."

(Contributing to this report was JTA correspondent Deborah Kalb in Washington.)

**ARAB LEAGUE BACKTRACKING  
ON ITS VOW TO REVIEW BOYCOTT**

WASHINGTON, Feb. 10 (JTA) -- The Arab League appears to be backpedaling on its pledge to U.S. Commerce Secretary Ron Brown to review two tiers of the Arab boycott of Israel, a move swiftly condemned by a major Jewish group.

The Arab League's secretary-general, Esmat Abdel-Meguid, told Brown last month during the secretary's Middle East trip that the league promised to consider rescinding its so-called secondary and tertiary boycotts.

On Thursday, the league's assistant secretary-general, Adnan Omran, told the Reuters news agency that Brown's statement had been premature.

"You cannot use the word 'commitment,'" he said. "There is no item on the agenda specifically concerning the secondary and tertiary boycott."

The Arab League foreign ministers are scheduled to meet March 27 in Cairo.

The secondary boycott imposes trading sanctions against companies doing business with Israel. The tertiary boycott, in turn, imposes sanctions on companies that trade with firms that have broken the terms of the secondary boycott.

On Thursday, Brown confirmed that Meguid assured him that the Arab League would take up ending the two stages of the boycott and that Meguid had given Brown the green light to go public.

Brown made his comments during a telephone conference call with the Conference of Presidents of Major American Jewish Organizations.

According to Malcolm Hoehnlein, executive vice chairman of the Conference of Presidents, Brown was shocked to learn of Omran's position.

Brown's reaction was "disbelief," said Hoehnlein, whose organization expressed shock and dismay at the report.

Omran said the league would not bar companies that wanted to do business in areas designated for Palestinian autonomy.

"If companies come to help in Gaza and Jericho, I guarantee they will have no problem over the boycott," he told Reuters. "But we would not like the Palestinians to be exploited."

In a statement from Cairo last month, Brown said, "I am hopeful that this commitment will result in a decision eliminating the secondary and tertiary boycotts, and I look forward to a day when the boycott, in its entirety, will be ended."

**WITH SIGNING OF CAIRO DOCUMENT,  
PROSPECTS BRIGHTEN FOR SELF-RULE**  
By David Landau

JERUSALEM, Feb. 10 (JTA) -- With the accord known as the Cairo Document signed this week by Foreign Minister Shimon Peres and Palestine Liberation Organization Chairman Yasser Arafat, prospects have brightened for starting the implementation of the Palestinian self-rule accord within the next few weeks.

Prime Minister Yitzhak Rabin said he hoped remaining negotiations for the accord could be completed within one month, now that the security aspects have been mostly resolved.

The Cairo Document was further enforced by Israel Defense Force sources who said that the

army will begin to withdraw from the Gaza Strip and West Bank town of Jericho within a month.

Implementation of the accord has been held up by disagreements over security issues, but these were largely resolved in the three-page Cairo Document and a separate eight-page agreement signed in the Egyptian capital Wednesday.

Under the terms of the self-rule accord signed in Washington last September, Israel was scheduled to complete withdrawal of its forces from Gaza and Jericho by April 13.

Rabin has repeatedly cautioned that the April date is "not holy." But political sources here say the remaining negotiations should now proceed smoothly and quickly.

The negotiations, which will focus on some remaining security issues and on the transfer of authority in Gaza and Jericho to the Palestinians, were scheduled to resume next week in Paris and in the Sinai border town of Taba.

Israel Television reported Thursday that the IDF high command was "very pleased" with the Cairo accord and that IDF officials agreed that no important security concerns were compromised.

The agreement reached in Cairo provides for overall Israeli control of external security in the two self-governing areas. The crossing points between Gaza and Egypt and between Jericho and Jordan will continue to be situated within IDF deployments.

But within the immigration terminals themselves, a major effort has been made to accommodate Palestinian sensibilities without forgoing Israel's right to examine travelers and their belongings and to bar entry for security reasons.

**Arafat And Rabin To Review Jericho Size**

The terminals will contain separate Israeli and Palestinian checkpoints.

The size of the Jericho area, another long-standing bone of contention, was set at around 21 square miles, but the two sides agreed that it will be reviewed by Arafat and Rabin when they meet to finalize the agreement.

Rabin, in interviews Thursday, hinted broadly that he will be prepared to expand the size of the Jericho area, provided other issues are satisfactorily concluded.

The Cairo agreement gives the Palestinians access to Muslim holy places around the Jericho area and also calls for joint Israeli-Palestinian tourism projects on the Dead Sea's north shore.

In Jericho, joint patrols on main roads will be led by a Palestinian vehicle. And in the Gaza Strip, where about 12,000 Jewish settlers live in three enclaves among some 850,000 Palestinians, key roads will be jointly patrolled, too -- but with an IDF vehicle leading each patrol.

Rabin said these provisions would facilitate "reasonable" security for Israel. He noted that even now, Israel does not have complete security.

"If we want to give peace a chance, we must solve our problems with the Palestinians," a confidant Rabin declared.

As could be expected, the opposition was critical, with Likud blasting the accord as a surrender to terrorism.

Many Palestinians criticized the agreement, too, saying the PLO had caved in. But PLO leaders said the accord allows for some authority.

Arafat was also optimistic. "We are sure we can create a new era for our people," he said.

**ONCE A TOURIST VACATION SPOT,  
MAKARSKA IS NOW A TRANSIT SITE**

By Gil Sedan

MAKARSKA, Croatia, Feb. 10 (JTA) -- This once-popular vacation spot on the Adriatic Coast has become both a rehabilitation center for those wounded in the seemingly endless civil war in Bosnia-Herzegovina and a transit station for refugees from its once beautiful capital, Sarajevo.

The lobby of a hotel here, once crowded with tourists, is now filled with people on crutches and wheelchairs.

One has little trouble spotting the refugees from Sarajevo. From the looks on their faces it is clear they have hardly recovered from the shock of transition from the hell of war-torn Sarajevo to the coastal paradise of Makarska.

The most recent group of refugees from Sarajevo arrived in a six-bus convoy organized by the American Jewish Joint Distribution Committee.

Amid all the horrors of war in the former Yugoslavia, the refugees had a particularly gruesome sendoff from Sarajevo: The convoy left the Bosnian capital last weekend just hours after a mortar shell exploded in a crowded open-air market, killing 68 people and wounding more than 200. It was the deadliest attack in the almost two years of war.

"This is heaven," Srdjan Gornjakovic said at the end of the 16-hour trip that brought the convoy here. "It's so quiet here, I could hardly sleep."

Gornjakovic, 30, a Serb, practiced medicine in Sarajevo's Jewish community.

He was one of the 296 people who left Sarajevo on the convoy.

Although the convoy was organized under Jewish auspices, only one-third of the refugees were Jewish. In the tradition of its relief work, JDC rescued people of all three communities -- Muslims and Christians as well as Jews.

**Peres Intervenes For Righteous Gentile**

One of the non-Jews in the convoy was Zajniba Hartaga-Susic, who risked her life to hide her Jewish neighbors during World War II. Seven years ago she was designated a Righteous Gentile by Yad Vashem in Jerusalem.

Now, the wheels of history have turned, and a Jewish organization rescued her and three family members from Sarajevo.

Israeli Foreign Minister Shimon Peres intervened on her family's behalf by formally inviting them to live in Israel.

Hartaga-Susic has a son in Mexico City, but she intends to go to Israel. "That's where the future of my granddaughter is secure," she said.

Jewish Agency officials here worked extra hours to ensure the safe entry to Israel of Dennis Karolic, 11. He had left Sarajevo without his parents, traveling with his best friend, Ridoslav Bozovic, and Ridoslav's mother, who has been like a mother to him in recent years.

Dennis' mother left him two years ago and lives in Germany and his father stayed behind.

Difficulties arose in arranging his entry into Israel because Dennis' grandmother was Jewish, but his mother is not. According to halacha, or Orthodox Jewish law, Dennis is not Jewish, not entitled to enter Israel under the Law of Return.

But Dennis, along with Ridoslav, have both

been wards of the Jewish community in Sarajevo, spending the months of the war in the Jewish community offices there, helping out.

To make sure that Dennis would be able to go to Israel, Jewish Agency officials were on the phone with Jerusalem until shortly before a group of Jews were going to make their departure from here.

The officials finally achieved success, and Tuvia Raviv, the Jewish Agency representative here, emerged from a hotel telephone booth weary-eyed but flashing a smile that communicated the good news.

Dennis had no doubts about going to Israel, perhaps because there was nowhere else for him to go.

"Israel is where I want to start my life anew," he said.

Only 11, and he must start his life anew.

**BELGIAN KING CONFRONTS PAINFUL ISSUE  
OF AMNESTY FOR NAZI COLLABORATORS**

By Joseph Kopel

BRUSSELS, Feb. 10 (JTA) -- The monarch has aroused controversy and raised painful moral questions about whether Belgians who collaborated with the Nazis should be granted amnesty.

The issue arose in a New Year's speech in which King Albert recalled that his recently deceased brother, King Baudoin, had hinted at forgiveness and "reconciliation between all citizens."

At the end of his speech, Albert remembered that his brother said in 1990 that "in the framework of peace between communities, measures that could contribute to reconciliation between all citizens must be studied."

The remark has been interpreted by some as a new appeal for clemency for those Belgians who helped the Nazi regime during the war. The new interpretation carries weight because this year is the 50th anniversary of Belgium's liberation from the Nazis.

The question is not new. Polemic over amnesty for collaborators has created an ideological split over the years, dividing the Flemish and the French-speaking part of the country, even though there were equal numbers of collaborators in both parts of the country.

After World War II, 53,005 persons were condemned and 2,940 death penalties were pronounced by special courts. Some 242 persons were executed for collaborating with the Nazis.

Over the years, the Flemish Nationalist Movement has pressured the authorities to grant amnesty to collaborators. But successive governments never followed up for fear this would create a crisis between the Flemish and French-speaking Belgians.

King Albert's speech was applauded by the head of the Flemish regional government, Luc van den Brande. Belgian Prime Minister Jean-Luc Dehaene has said that, for his part, his government cannot remain insensitive to the king's statement. Observers here said the king's speeches are always approved in advance by the government.

French-speaking political parties say they will refuse any measure to pardon collaborators, and several politicians say they will question the prime minister on this issue in Parliament.

**BEHIND THE HEADLINES:  
A MOVE TO BRING PROSPERITY  
ALONG WITH PALESTINIAN PEACE**

By Michele Chabin

JERUSALEM, Feb. 10 (JTA) -- A decade ago, Yousef Abuleil left his home in eastern Jerusalem and moved to Saudi Arabia in search of a better life. For the most part, he found it.

A successful insurance agent, he enjoyed a high standard of living, until the outbreak of the Persian Gulf War in January 1991. Like many Palestinians living in Arab countries, Abuleil suddenly found himself unwelcome in his adopted home. He packed up his wife and children and moved back to Jerusalem.

A tall, dapper man in his 30s, Abuleil hopes to capitalize on recent strides in the peace process and expand the small wholesale business he started two years ago.

He is far from alone. Palestinians from throughout the territories -- and many living abroad -- think the time is ripe to invest in the West Bank and Gaza Strip.

Though Palestinians and Israelis have yet to agree on many issues related to the Palestinian autonomy plan set forth last September, both sides stress that a healthy Palestinian economy based on local enterprise is an important key to the success of the agreement.

"Grass-roots entrepreneurship is the backbone of any real economic growth," said Ruth Klinov, a professor of economics at the Hebrew University.

"If the Palestinian economy is to succeed -- and peace won't succeed without some form of economic stability -- it will have to develop local businesses."

In the future, she said, the Palestinian economy will have to be founded less on exporting labor and more on manufacturing.

Even before 1967, the Palestinians had a tiny industrial base. In 1993, 40 percent of the Palestinian work force was employed in Israel.

**Differences Over Palestinian Unemployment**

Opinions vary widely when it comes to assessing the economy. According to a study published by the Bethlehem-based Data Center for Studies and Consultation, the unemployment rate among Arabs in the territories is about 30 percent.

Israel's Labor Ministry, on the other hand, puts the number of unemployed Palestinians at about 9 percent -- lower than the Israeli unemployment rate of 11 percent.

The Data Center said the gross national product in the territories totaled \$3.148 billion, compared to \$6 billion in Jordan and \$60 billion in Israel proper.

While no one could claim that the economy of the territories was thriving before 1967, most Israeli and Palestinian financial experts concur that Israel has done little to encourage free enterprise during its 26-year rule over the West Bank and Gaza.

Some go further, maintaining that Israeli restrictions on Palestinian trade and commerce have impeded investment and business growth.

Klinov asserted that Israel put severe limits on the establishment of new enterprises. "Until recently, licensing of new businesses has been

very strict, and in many cases the license isn't given at all."

The economist attributed these restrictions to a number of factors, including pressure by groups within Israel that feared the competition. In addition, she said, Israel has had "some genuine security concerns," which, when translated into curfews and closings of the territories, have hurt economic growth.

"It's difficult to do business when people can't move around freely," she said.

Omer Nashef, a professor of Arab affairs at the Hebrew University and the director of a new program for Arab entrepreneurs, noted that "one of the biggest problems in the territories has been cash flow."

"Until a year ago, when the Cairo-Amman Bank set up a branch (in the West Bank), it was extremely difficult to transfer money from other countries into the territories. Israel has recently eased its restrictions, and we're seeing the first results," he said.

"Things are improving slightly," said Samir Hazboun, a Palestinian economist who, along with an Israeli team of financial experts, has been analyzing the potential impact of peace on the territories.

Since the Madrid peace conference in 1991, "Palestinians in the territories have begun to explore investing in the private sector," he said.

**Unemployment To Shrink With Building Boom**

One positive sign, said Hazboun, "is the fact that since Madrid, Israel has granted 120 licenses to factories. Of course, some had already been operating without licenses."

Hazboun believes that the autonomy plan, once implemented, will "jump-start" the stalled Palestinian economy, which is also being aided by \$5.5 billion pledged by donor countries.

He estimated that unemployment will shrink as construction workers start building 120,000 urgently needed housing units, plus another 10,000 units annually. He also foresees a rise in the number of industrial establishments, from 4,255 in 1993 to nearly 5,000 in 1999.

Yet according to Arik Gordin, spokesman of Israel's economic delegation to the peace talks, little progress will be made until Israel and the Palestinians work out a system both can live with.

"For many years we have been living together and operating as one economy. Now we are trying to make two economies, and it's a bit like trying to unscramble an egg," he said.

Important details still to be worked out include currency regulations, banking supervision, licensing of small businesses, customs and other taxes. The last two items are especially tricky because the Palestinian and Israeli economies will soon be competing with each other.

Competition is fine, Gordin said, "provided that both economies share the same basic conditions, such as Value Added Tax and customs."

For those wishing to do business in the territories, wading through details is a nightmare.

To help ease the way, the Martin Buber Institute of Hebrew University recently established its first-ever Arabic-language course designed to teach people how to start a business.

According to Nashef of Hebrew University, "Palestinian entrepreneurs can act as a bridge between Israel and the Arab countries."