

NEWS AT A GLANCE

■ Israeli Prime Minister Benjamin Netanyahu delivered to the White House a lengthy list of what he termed Palestinian violations of the peace accords with the Jewish state. He met with President Clinton and other senior administration officials on the first day of his six-day visit to the United States. [Page 1]

■ Jewish groups hailed the Senate's passage of a bill to increase the minimum wage by 90 cents, to \$5.15 an hour. The Senate voted 74-24 after turning back a controversial Republican amendment that would have excluded millions of workers from the increase.

■ Jewish officials involved with restitution efforts said the agreement reached with the Hungarian government to compensate the local community for property seized during the Holocaust is a significant breakthrough. [Page 3]

■ Israel's army chief of staff said Syria recently allowed a large shipment of weapons to pass through Damascus on its way to gunmen fighting Israel in southern Lebanon. [Page 2]

■ A military appeals court rejected a request to dismiss two of the judges in the war crimes trial of former SS Capt. Erich Priebke, despite accusations that they were biased in his favor. The ruling cleared the way for the 6-week-old trial to resume. [Page 3]

■ A lawyer for accused Nazi war criminal Josef Nemsila requested that proceedings against his client be stopped on the basis of judicial interference. The move comes days after a Canadian federal judge halted deportation proceedings against three other accused Nazi war criminals. [Page 4]

■ Three Israeli Cabinet members said they would forego planned salary increases in the wake of the passage of an economic plan calling for drastic cuts in social welfare and education. Defense Minister Yitzhak Mordechai, Public Security Minister Avigdor Kahalani and Agriculture Minister Rafael Eitan said they would pass on the scheduled 40 percent wage increase.

Netanyahu wins U.S. support despite differences about PLO

By Matthew Dorf

WASHINGTON (JTA) — Israeli Prime Minister Benjamin Netanyahu will return home this weekend with a firm American pledge of "rock solid" relations between Jerusalem and Washington.

Publicly, President Clinton and Netanyahu heaped praise on each other and pledged to extend the honeymoon that U.S.-Israel relations have enjoyed during the past three years.

But their positive comments could barely mask deep divisions on the peace process once the doors closed to the Oval Office for the leaders' first meeting since Netanyahu was elected prime minister in late May.

In 2 1/2 hours of White House meetings, Netanyahu presented U.S. officials with a lengthy list of ways Israel believes the Palestine Liberation Organization has been violating the accords it signed with the Jewish state, according to an Israeli official.

The list cited Netanyahu's belief that the Palestine National Council, meeting April 24 in Gaza, did not amend its covenant, as PLO Chairman Yasser Arafat had proclaimed.

Both the previous Israeli government of Shimon Peres and the Clinton administration welcomed at the time the PNC's action, saying that it had rescinded the sections of the covenant calling for the destruction of Israel.

Netanyahu's list also included examples of what he termed systematic violations of a commitment the PLO made not to conduct political activity in Jerusalem, according to the Israeli official.

The list also asserted that the Palestinian Authority headed by Arafat has not done enough to crack down on the fundamentalist Hamas movement, which is opposed to the peace process and has claimed responsibility for a series of suicide bombings in Israel earlier this year.

Netanyahu's list directly contradicts a recent U.S. State Department report on which Clinton based his decision to certify the PLO as being in compliance with the peace accords.

Such certification allows the U.S. to provide \$75 million in cash assistance to the Palestinian Authority each year.

But the sharp differences between the new Israeli government and the U.S. administration on PLO compliance threatens to pit Jerusalem against the White House on the crucial issue of continued U.S. aid to the Palestinians.

Netanyahu, who was scheduled to address a joint meeting of Congress on Wednesday, has allies on Capitol Hill who share his view that the PLO has not fulfilled the obligations set forth in its accords with Israel.

A second set of documents given to Clinton by Netanyahu detailed Israeli intelligence reports on Syrian support for terrorist groups.

Since his election, Netanyahu has pointed at Damascus as a major source of terrorism, charging that the regime of Hafez Assad supports the fundamentalist Hezbollah group in Lebanon and several Palestinian terror groups that are violently opposed to peace with Israel.

Syria remains on the U.S. list of nations that sponsor terrorism.

Glossing over differences

During their joint news conference Tuesday, both Clinton and Netanyahu glossed over differences in policies even when they appeared to be 180 degrees apart.

As Netanyahu pledged to continue a growth of Jewish settlements in the West Bank, Clinton reiterated long-standing U.S. policy that considers settlements an obstacle to peace.

Settlements are "one of the problems" in the peace process, Clinton said.

Netanyahu sidestepped the issue, saying that "we have not yet decided on the precise pattern of our settlement policy."

Netanyahu used the occasion to take a swipe at the 1993 and 1995 accords signed by the previous Israeli government and the Palestinians.

"We inherited two agreements, Oslo I and Oslo II, not to our liking," he said, referring to the two peace accords, "but governments keep agreements."

Netanyahu, with Clinton's assistance, steered clear of discussing

details about such potentially explosive issues as Hebron and peace talks with Syria.

While pledging to uphold past peace agreements, Netanyahu said he is continuing to study the redeployment of Israeli forces from most of Hebron.

Netanyahu refused to say whether he would meet with Palestinian Authority President Yasser Arafat, though he pointed out that lower-level officials in his government had met with the Palestinian leader and other officials in the Palestinian administration.

"We will not accept the notion that peace and terrorism can coexist under one roof," Netanyahu said.

But when it came to the overall U.S.-Israel relationship, both Clinton and Netanyahu promised a "rock solid" future.

"Those who try to drive a wedge between Israel and the United States will not succeed," Clinton told reporters.

Netanyahu will also bring some concrete prizes back to Israel.

For the first time since the 1991 Persian Gulf War, Israel will receive real time U.S. satellite intelligence on missiles launched in the Middle East.

The system is expected to be up and running by the end of the year, Clinton said.

In addition, the U.S.-Israel counterterrorism group will begin meeting by the end of the month to examine concrete ways the two allies can contribute to each other's security.

After addressing Congress and meeting with congressional leaders, Netanyahu was scheduled to continue his six-day visit to the United States in New York, where he is scheduled to meet with Republican presidential candidate Bob Dole, U.S. business leaders and American Jewish leaders.

Netanyahu continued to back away from a pre-election interview in which he said that within four to eight years, the Jewish state should wean itself off the \$1.2 billion in economic aid it receives each year from the United States.

After meeting with Clinton, Netanyahu extended the time frame to perhaps 10 years.

Clinton agreed that now is not "a time to do anything to destabilize" the Middle East by cutting Israel's aid. □

IDF chief of staff to Knesset: Syria arming Islamic militants

By Naomi Segal

JERUSALEM (JTA) — Adding fuel to government charges that Syria actively supports terrorist groups, the Israel Defense Force chief of staff told a parliamentary committee that the Islamic fundamentalist Hezbollah movement has received large supplies of arms via Syria.

Appearing Tuesday before the Knesset Foreign Affairs and Defense Committee, Lt. Gen. Amnon Shahak said Hezbollah, which has been waging an armed struggle against Israeli forces in southern Lebanon, had received improved Katyusha rockets from Iran, as well as Iranian-produced 240mm shells.

Shahak added that it was clear that Syria was supporting terrorist actions.

"We witnessed that a terrorist organization with headquarters in Damascus took responsibility for the [June 26] terrorist ambush in the Jordan Valley" in which three Israeli soldiers were killed, Shahak said.

Earlier this month, Israeli warplanes blasted a site in eastern Lebanon that was a base for Fatah-Uprising, a Syrian-backed group that claimed responsibility for the June 26 attack.

Before setting out for the United States, Israeli Prime Minister Benjamin Netanyahu reiterated his claim that Syria was supporting terrorist actions.

He said he hoped to secure U.S. action, including possible sanctions against Syria, to pressure Damascus to stop its support for terrorist groups.

In his remarks before the parliamentary committee, Shahak also had harsh words for the austerity budget the government passed earlier in the week that included cuts of approximately \$265 million from the Defense Ministry budget.

Although that figure was about half of what the Finance Ministry initially wanted to cut from defense expenditures, Shahak blasted the final sum, saying that the move had already prompted security forces to cancel some key projects.

He also expressed concern about another facet of the budget plan that calls for cuts in the salaries of career officers.

Defense Minister Yitzhak Mordechai, meanwhile, defended the cuts.

Speaking at the Erez Crossing between Israel and the Gaza Strip, Mordechai acknowledged that the budget cuts could affect operations, but that the IDF could live with them. □

U.S. Orthodox leader praises influence of religious parties

By Debra Nussbaum Cohen

NEW YORK (JTA) — The success of the religious parties in the recent Israeli election was "a call for the re-Judaization of Israel," Rabbi Rafael Grossman said in his opening address at the First World Wide Rabbinical Conference, which was held this week in Jerusalem.

Grossman is president of the Orthodox Rabbinical Council of America, which organized the conference.

Religious parties increased their representation in the 120-member Knesset to a total of 23 seats in the May 29 elections. The three parties, which had a total of 16 seats in the previous Knesset, joined the coalition assembled by Prime Minister Benjamin Netanyahu.

The victory of Netanyahu and the religious parties was a way for voters to oppose those Israelis who "began a process of biculturalization," Grossman said Monday in his speech.

"Israel's *raison d'être* is to be a state for Jews and Jewish in every possible way, culturally and religiously," he said.

Given the degree of assimilation plaguing the Jewish community today, he said, "how then could Jews anywhere have accepted an Israel that assimilates into the abyss of Western decadence?"

The conference, held July 8-10, was expected to bring together some 500 rabbis from the centrist Orthodox and fervently Orthodox worlds, Grossman said in an interview before he left the United States for Israel.

About 200 American members of the RCA were slated to participate, he said. The RCA is the professional organization that represents about 1,000 centrist Orthodox rabbis.

Current and past Israeli chief rabbis were scheduled to participate, he said.

Rabbis from Jewish communities worldwide were planning to attend from countries including England, France, Russia, Argentina, Brazil and Mexico, he said.

Sessions at the conference included explorations of technology, Jewish education and the future of European Jewry.

One session was called "The Centrality of the Office of the Chief Rabbinate of the State of Israel." □

FOCUS ON ISSUES**Hungarian restitution accord may be model for other nations***By Agnes Bohm*

BUDAPEST (JTA) — An agreement reached last week with the Hungarian government is being hailed as a breakthrough in efforts to obtain restitution for property seized during the Holocaust.

The agreement "is a model for all other countries in the region," said Gusztav Zoltai, executive director of the Hungarian Jewish community.

"This is a landmark event," said Israel Singer, chairman of the World Jewish Restitution Organization, which joined local Jewish leaders in negotiating the agreement with the Hungarian government.

"This establishes the precedent by which the other countries with whom we are negotiating can arrive at an agreement."

As a result of discussions that concluded July 3, the agreement establishes a Hungarian Jewish Heritage Foundation to be headed by a board of directors that will include local and international Jewish leaders, Hungarian government officials and independent members.

The foundation, expected to be set up before the end of the year, will manage Jewish-owned communal properties that will be returned to the community under the terms of the agreement. These properties include synagogues and old age homes, which will be put to direct use by the community, as well as commercial real estate and art treasures.

The foundation will also manage the disbursement of millions of dollars contributed by the Hungarian government.

The agreement did not call for the restitution of personal properties even if the owners or descendants could be found.

Seed money for vouchers

The foundation will be headed by Ronald Lauder, treasurer of the World Jewish Congress. Lauder has been active in Jewish renewal projects in Eastern and Central Europe through the foundation that bears his name.

The agreement calls for the issuance of compensation coupons, or vouchers, from which annuities will be paid to needy Holocaust survivors.

The Hungarian government provided seed money of about \$27 million for the voucher program.

Additional funding will come from income derived from the communal properties being managed by the foundation, Singer said.

Some 16,000 to 18,000 Holocaust survivors will get a monthly pension of \$40 from the vouchers, Zoltai said.

Hungary had a prewar population of 800,000 Jews. About 600,000 died in death or labor camps under the Nazis. The Hungarian Jewish community, which now numbers between 80,000 and 130,000, is the largest in Central Europe.

According to the agreement, only those Jews who live in Hungary will get the pension from the foundation.

Establishment of the foundation must still be confirmed by the Hungarian Parliament when it reconvenes from summer recess in September.

Although the foundation is expected to be hotly debated by parliamentarians, the local Jewish leadership expects that it will nonetheless be approved.

Since its founding as an affiliate of the World Jewish Congress four years ago, the WJRO has been negotiating the restitution issue with Hungary and other countries in Eastern and Central Europe.

Singer said ongoing negotiations with Romania, Slovakia and Bulgaria are proceeding along similar lines as the agreement reached with Hungary.

He added that those talks were making "significant progress," but that no agreements with those three countries had yet been reached.

He said the accord with Budapest "stands in marked contrast with the non-cooperation we have been receiving from Poland and the Czech Republic."

In the negotiations with those two countries, Singer said, "we have simply been stonewalled."

The Hungarian government's agreement with the Jewish community has sparked criticisms, some of them laced with thinly veiled anti-Semitism, from opposition party members and from some church officials in Hungary.

The opposition newspaper Uj Magyarorszag quoted one politician as saying that the "value of the Jewish compensation is equal to the total value of Hungary's national assets."

Catholic Archbishop Endre Gyulai, in an article last week in a Hungarian daily newspaper, charged that the state had already given the Jewish community twice as much communal property than had ever been seized.

Since the fall of communism, the Catholic Church has been engaged in its own negotiations with the state for the return of confiscated church properties. □

(JTA foreign editor Mitchell Danow contributed to this report.)

Appeals court dismisses claim of judicial bias in Priebke trial*By Polly Stroud*

ROME (JTA) — A military appeals court has rejected a request to dismiss two of the judges in the war crimes trial of former SS Capt. Erich Priebke, despite accusations that the judges were biased in his favor.

The ruling Monday cleared the way for the trial's resumption this week.

Priebke, 82, is on trial for his role in the 1944 massacre of 335 men and boys, some 75 of them Jews, at the Ardeatine Caves outside Rome. Priebke has already admitted to drawing up a list of victims, checking it off at the caves and personally shooting two people.

The trial was suspended last month after prosecutors accused Judges Agostino Quistelli and Bruno Rocchi of impartiality and demanded the dismissal of the three-judge panel.

Two military officers testified before the appeals court that they had heard Quistelli say in a conversation he believed that Priebke should be absolved.

The court said the judge could have abstained from the case because of his opinion. It added, however, that Quistelli should not be removed from the case because he expressed his opinion as a private citizen, before the trial opened and before he examined the charges.

Prosecutors also alleged that one of the judges was overheard telling Priebke's lawyer that he should remind his client to relay wedding anniversary wishes to his wife.

Lawyers for the relatives of those killed in the massacre sought the judges' dismissal as well.

The appeals court ruled that complaints of the families concerning the judges' refusal to hear all their witnesses could serve as the basis of an appeal, but are not grounds for questioning the competence of the judges.

Sebastiano Di Lascio, one of the lawyers for the families, said he believed that by noting that Quistelli could have abstained from the case, the appeals court was inviting the judges to step aside voluntarily.

Both judges welcomed the ruling and said they had no intention of withdrawing from the case. □

Coalition of church groups calls for pressure on Israel*By Debra Nussbaum Cohen*

NEW YORK (JTA) — A coalition of major Protestant and Catholic groups has called on the Clinton administration to press Israeli Prime Minister Benjamin Netanyahu to hold to the commitments Israel has made in the peace process.

"There is concern in the church community that the Netanyahu government continues on the road to peace that both [Yitzhak] Rabin and [Shimon] Peres so well established," said Terence Miller, chairman of Churches for Middle East Peace, a coalition of 14 groups that together represent about 45 million Christians.

Its member groups include: the National Council of Churches, which itself is an umbrella organization of Protestant and Orthodox churches; United Methodist Church; United Church of Christ; Episcopal Church; American Baptist Churches in the USA; and the Roman Catholic Conference of Major Superiors of Men.

The umbrella group also includes the "peace churches," which are the Mennonite, Quaker and Church of the Brethren denominations.

The Clinton administration "must make clear that it opposes the building of new settlements and the expansion of existing settlements geographically or by adding population, including in the occupied areas in and near Jerusalem," the organization said in a statement released in advance of this week's visit to Washington by Netanyahu, his first since being elected to head the Israeli government.

Rabbi A. James Rudin, director of interreligious affairs for the American Jewish Committee, criticized the move by the church coalition.

The coalition is made up of "people who basically take an anti-Israel position and historically have had a double standard for Israel and the Palestinians," Rudin said.

"Unless Israel does exactly what they want they come down hard on the country. You don't find them making similar demands on the Palestinian Authority or Syria."

The church coalition first expressed its concerns about the new Israeli government last month in two letters addressed to President Clinton.

In a June 11 letter, the organization's executive committee recalled how the Bush administration used U.S. loan guarantees as leverage to curtail Israeli settlement activity in the territories.

Protested closure

"In recognition of the considerable financial aid provided to Israel and the restrictions placed by the Bush administration on loan guarantees, Americans are particularly alert and sensitive about the financing of Israel's settlement program," the letter said.

The umbrella group had urged President Bush to withhold the \$10 billion in loan guarantees until Israel agreed to stop all construction of settlements in the West Bank and Gaza Strip.

Churches for Middle East Peace has registered strong opposition to Israeli policies on other matters as well.

The organization has protested to the American government Israel's closure of the West Bank and Gaza Strip, imposed after the first of a series of suicide bombings in February and March.

While the group does not characterize itself as pro-Palestinian, most of its members do have close relationships with Palestinian and Lebanese Christian churches

connected to the various Catholic and Protestant denominations, Miller said.

"We're in service to the local people we're sent to serve.

"That's who we're in partnership with," he said.

Rudin said the group's call for U.S. pressure on Israel so soon after Israel's elections was discouraging.

"I would hope they would be critiqued by other Christians who have taken a different view since Israel and the Palestinians began negotiating directly in 1993," he said.

But Rudin cautioned that the group's voice "could be ominous if the going gets tough between Israel and the United States." □

Panel: Remove Quebec judge*By Bill Gladstone*

TORONTO (JTA) — A judicial panel has recommended that a Quebec judge who made controversial remarks in his courtroom about the Holocaust be removed from the bench.

But Judge Jean Bienvenue recently said that he would fight any attempt to discharge him.

During a December sentencing of a woman convicted of murder, Bienvenue said Jews who died in the gas chambers did not suffer.

At the time, Jewish groups in Montreal had called for the judge's resignation.

Bienvenue later apologized to Jewish leaders.

Bienvenue also said during the sentencing that women were capable of behaving with more depravity than the vilest of men.

The judge's remarks were "humiliating" and "his prejudice seems firmly entrenched in his spirit," according to the majority opinion of the five-member panel.

The opinion also said, "Judges can't be impervious or ignorant of what constitutes conduct beyond which they must not venture."

In a dissenting opinion, one panelist said Bienvenue's removal could compromise the independence of the judiciary.

The panel's recommendation now heads to the Canadian Judicial Council, which is expected to offer its opinion to the justice minister in the fall. □

Accused Nazi wants actions halted*By Bill Gladstone*

OTTAWA (JTA) — Days after the denaturalization and deportation proceedings against three accused Nazis were stopped, the lawyer for accused war criminal Josef Nemsila requested a halt in actions against his client.

The lawyer, who wanted the proceedings stayed on the basis of judicial interference, also said an improper discussion took place between a chief justice and a Justice Department official.

A decision in that case is expected July 18.

Nemsila was allegedly a district commander in the notorious Hlinka Guard in the Nazi vassal state of Slovakia.

He also is accused of participating in the roundup of the country's 100,000 Jews and in their deportation to Auschwitz and other death camps in Poland.

On July 4, Judge Bud Cullen halted proceedings against three accused Nazis in Canada — Johann Dueck, Helmut Oberlander and Erichs Tobiass — because of what he said was a breach of judicial independence.

The breach allegedly involves an assistant deputy justice minister asking a chief justice to speed up the proceedings against the accused Nazis. □