

**NEWS AT A GLANCE**

■ **Israel is carefully watching Syrian troop movements in Lebanon.** With Yom Kippur approaching, tensions between Israel and Syria are causing anxiety among Israelis who fear a repetition of the 1973 Yom Kippur War. [Page 2]

■ **The Argentine government will pay an undisclosed sum to an elderly Argentine Jew who lives in Los Angeles for torture and loss of property.** Jose Siderman, who blamed endemic Argentine anti-Semitism for much of his 20-year struggle to obtain compensation from Argentina, expressed delight with the landmark settlement. [Page 3]

■ **Swiss Foreign Minister Flavio Cotti endorsed a bill that would lift Switzerland's bank secrecy law.** The bill, which must be approved by the Swiss Parliament, is aimed at facilitating an ongoing investigation of Holocaust victims' assets that were confiscated by the Nazis and subsequently deposited in Swiss banks.

■ **Nation of Islam leader Louis Farrakhan addressed more than 2,600 people at a Toronto convention center.** Canadian Jewish groups had urged the government to bar Farrakhan from entering the country on the grounds that his admission might lead to a violation of Canada's laws against hatred. [Page 4]

■ **Seventy history teachers from 11 Eastern European countries will participate in a training seminar in Poland on the Holocaust.** The seminar, which is to include visits to Treblinka and Auschwitz, was organized by the European Center for Research and Action on Racism and Anti-Semitism, an organization created by the European Jewish Congress.

■ **Secular and religious peace activists in Israel joined for a prayer service at Yitzhak Rabin's murder site in Tel Aviv.** The service marked the Fast of Gedaliah, which commemorates the first political assassination in Jewish history.

■ **Israeli security officials called off the search for soldier Sharon Edri.** Police experts fear that he committed suicide, but Edri's family maintains that he was kidnapped by Palestinian terrorists.

**BEHIND THE HEADLINES****Regional economic cooperation eludes Middle East peacemakers**

By Gil Sedan

JERUSALEM (JTA) — Three years after the historic Rabin-Arafat handshake on the White House lawn, the dream of an economic boom in the Middle East remains elusive.

The "New Middle East" envisioned by former Prime Minister Shimon Peres was predicated on a simple formula: Economic partnerships forged between Israel and its Arab neighbors could usher in a new era of regional trust.

But in Israel's relations with the Palestinians, Jordan, Egypt and the wider Arab world, that economic dream has largely failed to materialize as many of the old distrusts remain.

The most recent evidence that politics continues to interfere with budding commercial ties was Egyptian President Hosni Mubarak's threat to cancel a regional economic conference set for Cairo in November if there is no progress in Israeli-Palestinian peace talks.

Tensions between Israel and the Arab world were on the rise as Arab foreign ministers, who met during the weekend in Cairo, threatened to halt normalization of ties with Israel.

Like its predecessors in Casablanca, Morocco, and in Amman, Jordan, the Cairo conference has been touted as a significant advance for regional economic partnerships.

Despite the threat, most Israeli experts are confident that the conference will be held.

"I am willing to bet that Mubarak will hold the conference no matter what," said Gil Feiler, of the Begin-Sadat research center at Bar-Ilan University. "It is more important for him than for Israel."

Indeed, both Israel and Egypt have a vested interest in the economic conference taking place.

For the government of Prime Minister Benjamin Netanyahu, it would provide proof that the dialogue with the Arab countries continues; for Mubarak, it could mean more foreign investments.

However, Israeli officials do not expect any major advances in regional trade as a result of the conference.

"One should not expect too much," said Oded Eran, deputy director general for economic affairs in the Foreign Ministry. "Israel's traditional markets are in Europe, not in the Middle East."

Whether economic realities would ultimately hinder the development of trade and business ties between Israel and its Arab neighbors is not clear.

For now, at least, political realities surrounding the evolving peace process appear to be the main obstacle.

"Fifty percent of Jordanian businessmen are still afraid to do business with us. They say that until we improve relations with the Palestinians, they can't do much," said Yosi Barnai, director of the Middle East and North Africa Business Information Center, who recently returned from a visit to Jordan.

**Even tourism has suffered**

After the signing of the Israeli-Jordanian peace agreement in October 1994, there was much talk of joint projects, such as the construction of resort sites along the Dead Sea, the development of regional water resources, the building of a joint Eilat-Aqaba airport and the construction of power plants.

But nearly two years after peace was reached, none of these projects has begun due primarily to bureaucracy and a lack of enthusiasm on the part of potential Arab business partners.

The few exceptions are the several Israeli firms in the textile and refrigerator industries that have opened plants in Jordan to take advantage of its cheaper labor.

The main beneficiary of the peace treaty has been the tourism industry. More Americans and Europeans have visited the region as a result of the treaty, but even tourism has suffered recently amid uncertainty about the future of the peace process.

Relations between Israel and several Persian Gulf states have shown

some promise, but they have nonetheless not lived up to the high expectations generated earlier this year, when Israel reached agreements with Oman and Qatar to exchange trade missions.

Interest offices, considered a first step toward full diplomatic relations, have since been opened in Israel and Oman. And dozens of businessmen from the Gulf visited the recent Agritech fair in Tel Aviv.

But there has been little beyond that.

"With Oman," said an Israeli businessman who preferred to remain anonymous, "business is pretty good. But all the rest are limping."

The state of economic relations between Israel and its longest-standing Arab peace partner — Egypt — provides little basis for optimism when it comes to the Jewish state's ties with the rest of the region.

The cold peace between Israel and Egypt, which signed a peace accord in 1979, has failed to yield any major economic breakthroughs.

The main economic link between the two countries are Egypt's oil sales to Israel. Excluding that, the volume of trade between the two countries last year was a paltry \$77 million, most of that from Israeli exports.

Nowhere in the region are the shattered dreams of a new regional economy more evident than in Israel's own back yard — the Palestinian self-rule areas.

At the beginning, there was talk of industrial parks along the border between Israel and the Palestinian autonomy and of an economic boom that would take advantage of Israeli know-how and cheap Arab labor.

But those plans were stopped dead in their tracks after a series of Hamas terror attacks in Israel in February and March.

### **Victims of their own pride**

The Palestinian autonomy is now cracking under a heavy load of unemployment brought on by the extended Israeli closure of the West Bank and Gaza Strip that was imposed in the wake of those attacks.

The Palestinians cannot blame their woes only on the closure; they also have, to a large extent, been the victims of their own pride.

They are hesitant to launch any joint ventures with Israeli entrepreneurs and they put up bureaucratic obstacles that scare away potential investors.

The Palestinian Authority's Ministry of Economy and Trade, for example, recently issued a directive that only goods with a "clear label in Arabic" would be allowed into the Palestinian territory and stressed that the Arabic writing must be larger than any other languages used.

Meanwhile, the donor countries that had pledged to prop up the fledgling Palestinian economy — the United States, the European Union, the Persian Gulf states, Japan — have largely failed to come up with the billions of dollars needed to breathe life into the Palestinian economy.

The donors shrugged off their promises, partly because of the ups and downs in the peace process, partly because they were concerned that a lack of financial accountability in the Palestinian Authority would cause the funds to disappear.

As a result, the Palestinian Authority is still in the position of begging the donor countries for funds.

Palestinian officials recently said that they need an urgent supply of \$50 million — simply to cover salaries, not to invest in development projects.

One possible tool to encourage Israeli-Arab economic ties is a new Middle East regional bank that would fund transnational projects. The idea for the bank was endorsed at the Casablanca and Amman conferences, and final details for establishing the institution in Cairo are

expected to emerge from the November economic conference in Egypt.

But with some countries, including the United States, still balking at funding the bank, its future, like the evolution of regional economic ties, is unclear. □

### **Israel wary of Syrian moves in period before Yom Kippur**

*By David Landau*

JERUSALEM (JTA) — Israel says it is "carefully watching" Syrian troop movements in Lebanon and is sending diplomatic messages to Damascus in a bid to ease tensions between the two countries.

Coming in the weeks leading up to Yom Kippur, the Syrian troop movements have caused anxiety among Israelis who fear a repetition of the 1973 Yom Kippur War.

Israeli-Syrian tensions come as Arab states and the Palestinians are coordinating their policies against the Netanyahu government.

Arab foreign ministers, meeting in Cairo over the weekend, resolved that further normalization of ties with Israel must be contingent on progress in Israeli-Palestinian relations.

Informed sources in Israel said some 10,000 to 12,000 Syrian forces have been redeployed from the Beirut area to positions close to the Lebanon-Syria border, where they are protected by a shield of ground-to-air missiles.

Syrian sources have said the redeployment was intended to fend off a possible Israeli attack.

But Syrian Foreign Minister Farouk al-Sharaa said last week that the troop movements were, in any case, "none of Israel's business. They concern only Syria and Lebanon."

Israeli Prime Minister Benjamin Netanyahu said Sunday that Israel was sending a message to Damascus via American intermediaries that "our intentions are peaceable."

The U.S. State Department's special Middle East coordinator, Dennis Ross, was scheduled to visit the region this week in an effort to restart the Israeli-Syrian negotiations.

His mission comes days after Netanyahu confirmed that the late Yitzhak Rabin made an oral commitment to withdraw from the Golan Heights as part of a peace deal with Syria.

Speaking at the Sept. 12 weekly Cabinet meeting, Netanyahu emphasized that the commitment had not been made in writing and did not bind his own government to abide by it.

Netanyahu's comments came a day after it was disclosed in a new book that Rabin had made the commitment without the knowledge of his then-foreign minister, Shimon Peres.

The author, Orly Azulai-Katz, a political reporter for the Israeli daily Yediot Achronot, wrote that Peres learned of the commitment only after Rabin's assassination, when President Clinton asked him whether he intended to abide by it.

In a Cabinet communique issued last week, Netanyahu was quoted as describing Rabin's position as "hypothetical."

In Damascus last week, Sharaa issued a statement saying that it was not possible "to resume the talks without their being based on the principles and commitments achieved in the past."

As efforts continue to reconvene the talks, Syria is demanding that they resume from the point at which they broke off, apparently including the oral understandings reached during the Rabin-Peres years. □

**Elderly Jew wins restitution from Argentine government**

By Tom Tugend

LOS ANGELES (JTA) — An elderly Argentine Jew who lives in the United States has expressed delight at living long enough to see justice done in his lengthy legal battle against the Argentine government.

In a landmark international human rights case, Jose Siderman won compensation from Argentina for torture and loss of property, after 20 years of harassment and legal struggle.

Siderman blamed endemic Argentine anti-Semitism for many of his travails.

"Ever since I was born in Argentina, because I'm Jewish, I have had many difficulties," Siderman said. "If you're Jewish in Argentina, you have a 50 to 60 percent less chance of succeeding than any other Argentine. Being a Jew in Argentina has made it very difficult for me."

Facing the unprecedented trial in an American court of a foreign government for crimes committed on its own soil, Argentina dispatched two emissaries, who agreed to a sealed out-of-court settlement with Siderman, who is now 85 and living in Los Angeles.

Although the accord stipulated secrecy on its precise terms by all the parties involved, the Los Angeles Times quoted published accounts from Buenos Aires that put Siderman's compensation at \$6 million.

The New York Times cited a source who said the Argentine government "had agreed to pay a sizable monetary settlement to Mr. Siderman, his wife and their three children and to acknowledge that they had been victimized by Argentina's former military regime."

It was clear at the news conference that Siderman and his attorneys from the American Civil Liberties Union of Southern California considered the agreement a moral and financial victory.

Siderman's struggle started March 24, 1976, when a military junta began its so-called "dirty war" against alleged subversives. That same night, soldiers knocked on the door of Siderman's home in the northwestern province of Tucuman, screaming, "Jew son of a whore, open the door."

**Tortured with shocks**

Taken to a police command post, Siderman, then 65, was tortured with electric shocks and lit cigarettes, three of his ribs were broken and one of his testicles was crushed.

Released after seven days, Siderman and his family fled Argentina three months later and settled in the United States, where one of his daughters lived.

The junta in Buenos Aires took over Siderman's property, estimated at \$26.4 million in court records, and continued to harass the expatriate. Claiming that Siderman had left Argentina illegally and falsified records, the government issued an international warrant for his arrest.

On the strength of the Interpol warrant, Siderman was arrested while on a visit to Italy and held for seven months.

The next year, Siderman, joined by the ACLU, filed suit against Argentina in U.S. District Court, marking the beginning of a 14-year legal journey.

Initially, the court awarded Siderman a \$2.7 million default judgment against Argentina.

However, the Argentine government successfully appealed the verdict on the grounds that it could not be sued in a U.S. court for its treatment of Siderman, a position backed by the U.S. State Department.

Siderman found himself back at square one. The case lay dormant for some years, during which Siderman

returned to Argentina and unsuccessfully pleaded for compensation from the new civilian government, which had dismissed all the junta's charges against him.

However, in 1992, the case got a new life when a U.S. appeals court ruled that Argentina had unintentionally laid itself open to American jurisdiction. The reason was that in 1981, the junta, in its relentless pursuit of Siderman, had sought his arrest through papers filed with the Los Angeles County Superior Court.

During the next three years, Argentina unsuccessfully fought the appeals court's decision up to the U.S. Supreme Court.

Finally, this month, facing becoming the first foreign government to be tried in the United States for human rights abuses committed within its own borders, Argentina responded to Siderman's earlier pleas for a negotiated settlement.

"The main message of this case to foreign governments is that if someone flees your country, you better not come after him in the United States," said ACLU attorney Paul Hoffman, who worked on Siderman's case.

"You better not hurt or harass him in this country, because then your government will be open to justice in the courts of the United States," Hoffman added. "That's an extremely important principle for every family seeking refuge in this country from torture or oppression."

Siderman said in an interview that anti-Semitism continues in Argentina despite the change to a democratic government. "Anti-Semitism is the basic sentiment of all Argentines, except for a select few in public life," he said.

His son, Carlos Siderman, added that "without doubt, nothing has changed in Tucuman province," where the same general who conducted a particularly brutal "dirty war" against dissidents and Jews has now been elected governor.

However, an Argentine diplomat here took issue with Siderman's claim of pervasive anti-Semitism in today's Argentina.

"I don't deny that there were some problems of this kind in the past, as there were all over the world, but the government has now fought this widely, which has been recognized by the government of Israel," said Luis Maria Riccheri, Argentina's consul general in Los Angeles.

"Three of the highest government officials now are Jews: the president's chief aide, the minister of the interior and the minister of justice."

The recently appointed justice minister, Elias Jassan, owes his job to the resignation of his predecessor, Rodolfo Barra, who stepped down after Argentine media reports revealed his membership as a youth in a notorious anti-Semitic organization. □

**Anti-Semitic graffiti found on homes**

NEW YORK (JTA) — Anti-Semitic graffiti were found at two homes during the Rosh Hashanah weekend in Mamaroneck, N.Y., a suburb north of New York City.

The vandalism occurred against the backdrop of a series of anti-Semitic incidents earlier this year in Mamaroneck and other Westchester County communities.

Swastikas and the phrase "Kill the Jews" were found at one house Friday, it was reported. Additional vandalism, about which police would not elaborate, was discovered Saturday at another house.

Police increased patrols in the area. Police said no arrests had been made and it was not clear whether the two incidents were related.

No arrests were made in the string of vandalism in the area earlier in the year.

In March, 2,000 area residents of varying faiths gathered to declare their solidarity in combating hate. □

**Lautenberg Amendment mired in debate about foreign aid bill***By Daniel Kurtzman*

WASHINGTON (JTA) — A continuing squabble in Congress about abortion language in the foreign aid bill could be an obstacle for Jews from the former Soviet Union seeking refuge in the United States.

The dispute has nothing to do with Jewish refugees per se, but their fate — at least for the moment — is tied to approval of the foreign aid bill.

An amendment in the bill eases admission standards for Jewish refugees fleeing persecution in the former Soviet Union. Current U.S. law affording special status to historically persecuted groups expires Sept. 30, and the pending amendment would extend the law for another year.

The \$12 billion foreign aid bill, however, is now mired, as it was last year, in a dispute about whether to ban funding to international family planning programs that include abortions and abortion counseling. The bill includes \$3 billion in U.S. aid for Israel, \$2.1 billion for Egypt and additional policy provisions favorable to Israel.

The outlook for renewal of the refugee law, known as the Lautenberg Amendment, thus remains uncertain.

Enacted in 1990, under the sponsorship of Sen. Frank Lautenberg (D-N.J.), the amendment came in response to concerns about the potential for an anti-Semitic backlash after the Soviet Union's demise.

Under the law, historically persecuted groups seeking refuge in America, including Jews, only have to show a "credible basis for concern" about the possibility of persecution instead of having to prove "well-founded fears," as is the case with other refugees.

The amendment itself, Jewish activists say, is not controversial. Congress has already passed it and the Clinton administration supports it. It is only a question of which legislative vehicle can be used to bring the amendment to the president for his signature before it expires.

Should the law expire at the end of the month, there is not likely to be a perceptible impact on Jewish refugees, according to Martin Wenick, executive vice president of the Hebrew Immigrant Aid Society.

Any lapse would only be temporary, Wenick said, with Congress likely to take action on the legislation again next year and make it retroactive to Jews who applied for refugee status after Oct. 1. In a worst-case scenario, if the law is never extended, thousands of Jewish refugees from the former Soviet Union could be denied entrance to the United States. HIAS estimates the arrival of more than 30,000 Jewish refugees in 1996.

If the impasse over the foreign aid bill is not broken by the time Congress adjourns Sept. 27, the bill, including the Lautenberg Amendment, would likely be folded into the Continuing Resolution, effectively extending it for another year. The Continuing Resolution would include all unresolved spending bills.

Proponents of aid to Israel say they are confident that foreign aid spending will be approved before Congress adjourns for the election. But Howard Kohr, American Israel Public Affairs Committee executive director, said, "We will not rest until there's legislation signed." □

**Library of Congress cancels project of notorious Romanian***By Daniel Kurtzman*

WASHINGTON (JTA) — The Library of Congress has canceled a CD-ROM presentation on the history of Romania put together by a historian accused of holding anti-Semitic views.

Kurt Treptow, an American who lives in Romania,

was scheduled to present the digital history project along with his book, "A History of Romania," at the National Digital Library of the Library of Congress.

But the presentation was scrapped when B'nai B'rith and the U.S. Holocaust Memorial Museum raised objections about Treptow with the Library of Congress and the Romanian Embassy, which co-sponsored the event.

George Spectre, associate director of the B'nai B'rith Center for Public Policy, called Treptow a revisionist historian whose main goal is the vindication and rehabilitation of the World War II-era Iron Guard in Romania.

Treptow's writings, Spectre added, attempt to exonerate the Iron Guard leaders who were responsible for pogroms and anti-Jewish legislation, similar to the Nuremberg Laws of Nazi Germany.

Other scholars said Treptow had also collaborated with Gheorghe Buzatu, a notorious Romanian anti-Semite, who wrote a brochure blaming Jews for being accomplices of the Soviets in what he called "the Holocaust against the Romanian people."

Grant Harris, a reference librarian in the European Division of the Library of Congress, said he reached a joint decision with the Romanian Embassy to cancel the presentation.

"Nobody needed the controversy," he said.

Both B'nai B'rith and the U.S. Holocaust Memorial Museum said they were pleased with the decision.

"Apparently, they didn't really do their homework," Spectre said of those responsible at the Library of Congress. □

**Farrakhan enters Canada despite Jewish objections***By Bill Gladstone*

TORONTO (JTA) — Nation of Islam leader Louis Farrakhan spoke Sunday to more than 2,600 people at a convention center in Toronto, despite objections by Jewish groups.

Jewish officials had urged the Canadian government to bar Farrakhan from entering the country on the grounds that his admission might lead to a violation of Canada's laws against hatred.

Farrakhan reportedly delivered his trademark message of black responsibility, reconciliation and atonement.

A local reporter noted that the Nation of Islam sold anti-Semitic booklets outside the convention room.

Frank Diamant, B'nai Brith executive vice president, said in a statement, "We are hurt and outraged that Farrakhan, with his long and destructive history of bigotry and anti-Semitism, has been invited to our city, where so many are working so hard to fight racism and injustice."

He added, "Anyone who promotes hatred and violence against any group should not be allowed to spread such venom in Canada. It is against the law."

Steven Shulman, the Canadian Jewish Congress' associate director for community relations, said, "We don't need to import hatemongers from abroad at a time in Canada when we're trying to build unity with the various ethnocultural groups in this country."

Shulman added that such notorious figures as British Holocaust denier David Irving and American white supremacist Tom Metzger had been prevented from entering Canada.

Canadian immigration official Kevin Sack said two days before Farrakhan's appearance, "If an officer is of the opinion that Mr. Farrakhan is coming to Canada to break Canadian hate crime laws, then he would be refused admission." □