



## NEWS AT A GLANCE

■ The Jewish National Fund will launch a search for a new chief operating officer amid public concern about the agency's fiscal management. The charity's current top professional, Samuel Cohen, will become the senior executive vice president.

■ Israel approved plans to more than double the size of the West Bank Jewish settlement of Emmanuel. The Palestinian Authority and the left-wing Peace Now group said the decision would sabotage the peace talks. [Page 2]

■ Shimon Peres, the Israeli opposition leader, denied allegations that he advised Palestinian Authority leader Yasser Arafat not to sign an agreement on the redeployment of Israeli troops in Hebron. [Page 2]

■ The Moscow city government approved barring the use of Nazi symbols in the Russian capital. The measure, which is set to be signed into law later this year, should affect ultranationalist and neo-Nazi groups and their publications.

■ A Russian court found a Moscow lawyer guilty in connection with the 1994 theft of millions of dollars worth of Hebrew, Chinese and Arab manuscripts from the Russian National Library. [Page 3]

■ The far-right National Front won a slim victory in the first round of voting for the mayor of Dreux, France. If the National Front candidate wins the final vote, Dreux would become the fourth French town to elect a far-right mayor.

■ Members of the Conference of Presidents of Major American Jewish Organizations presented Israel's Tourism Minister Moshe Katsav with a proclamation dedicated to increasing North American tourism to Israel. "Visiting Israel is the strongest affirmation of solidarity with the people and State of Israel," the proclamation stated.

■ A Glasgow University student was banned from lighting Shabbat candles in her room because of fire regulations, school officials said.

## NEWS ANALYSIS

### Israelis, Arabs talk business despite stalled peace process

By Gil Sedan

JERUSALEM (JTA) — The host was less than hospitable, but Israel still managed to find a comfortable place among the other invited guests.

This was the mixed assessment that emerged from the third annual Middle East-North Africa economic summit held last week in Cairo.

Without a doubt, Israel enjoyed a more prominent place at the table at the 1994 conference in Casablanca, Morocco, and at last year's meeting in Amman, Jordan.

The previous two meetings took place amid hopes for a new regional order in which former enemies would forge economic partnerships that would ensure a peaceful future.

In sharp contrast, the Cairo conference threw a harsh spotlight on a growing rift in Israeli-Arab relations.

Egyptian President Hosni Mubarak threatened weeks ago to cancel the meeting altogether to protest the stalled Israeli-Palestinian negotiations.

But he ultimately abandoned his plan to link the economic conference to progress in the peace process, and he gave the Egyptian business community a free hand to run the show.

In the week preceding the conference, key Israeli business leaders received messages from Cairo to attend the conference, even as Israeli and Palestinian negotiators struggled to reach an agreement on implementing a redeployment of Israeli forces in Hebron.

Still, Egyptian Foreign Minister Amre Moussa orchestrated conference events with an eye toward keeping Israel on the periphery.

Mubarak did not mention Israel when he addressed the conference.

Despite Egypt's chilly posture, the broader Arab business community could not ignore Israel's position as the region's leading economic power.

"The Egyptian Foreign Ministry wanted to put an end to Israel's centrality in the previous conferences," said Reuven Azzar, commercial attache at the Israeli Embassy in Cairo. "But the private sector in Egypt was not ready to step backwards."

The conference brought together some 3,000 delegates from more than 80 countries.

Among those attending was a 100-member Israeli delegation that included six government ministers.

Although no dramatic Israeli-Arab business ventures were announced at the conference, the event enabled Israelis to continue to do business with the Arab world.

### 'Order from higher echelons'

The Arab delegates "received an order from higher echelons to do business," said Israeli businessman Ya'acov Nimrodi.

"Up to now they only talked," Nimrodi added. "Now they are doing."

Nimrodi, owner of the Israeli daily Ma'ariv, said he was working on a possible deal with Al-Ahram, Egypt's leading daily newspaper.

Based on the comments of some Egyptian businessmen, it seemed impossible to tell that the Cairo government was decidedly frosty toward Israel.

"Until now, we have no exports to Israel," said Mohammed Hussein, a representative of an Egyptian chocolate factory. "But relations are good, and we have no objection to doing so."

He and others gave the impression that economic links would continue to be forged regardless of the latest ups and downs of the peace process.

"I don't relate to the political differences," said Dov Lautman, chairman of the Israeli firm Delta Textiles. "I relate to facts and reality."

"I feel in this conference that it is precisely the business sector which affects the political process, and not vice versa."

"We didn't come to meet with politicians. They are unimportant to me. We came to meet Egyptians."

Lautman said his company had invested \$5 million in its Cairo plant,

which became profitable after two years and boasts annual exports of \$5 million. He used the conference podium to announce that the Cairo plant would be expanded, thereby creating more jobs for the local economy.

"Business is good, relations with the authorities are good," said Lautman.

The economic conference proceeded, in fact, on two parallel tracks, the political and the economic.

On the political side, the event was marked by tensions between Israel and the Palestinians over the stalemated Hebron talks.

Conference delegates adopted a declaration stressing the urgency of progress in the Middle East peace process, but stopped short of blaming Israel for the current impasse.

Meanwhile, the Egyptian authorities allowed political groups opposing the normalization of relations with Israel to hold a "Confrontation Conference" during the economic conference.

The leftist Egyptian weekly *Al-Ahali* quoted a public opinion poll showing that 80 percent of the Egyptians surveyed opposed Israeli participation in the conference, because Israel was "the enemy of the Arabs."

Perhaps the conference's darkest moment for Israel came when Egypt signed a memorandum of understanding with Turkey to sell that country some 350 million cubic feet of natural gas annually.

There had been negotiations to include Israel in the arrangement. But Egyptian officials said the separate deal with Turkey had been struck because of what they described as Israeli foot-dragging in the discussions.

Israeli officials, seeing this as yet another slap in the face from Cairo, were furious.

Israeli Foreign Minister David Levy criticized the summit during remarks to reporters.

"This is different from the previous conferences, which were done in participation with Israel," said Levy, who did not directly address the summit.

"This conference is an Egyptian economic conference to which Israel has been invited."

Israeli Trade Minister Natan Sharansky said it was undoubtedly "Egypt's inclination to put Egypt at the center, not only of the conference, but also of the entire economic system in the Middle East."

But any assessment of regional economic cooperation must be seen in mixed terms.

True, Israel did not wrap up any major deals with its Arab neighbors.

But trade among Arab states, which totals about \$22 billion annually, is just 7 percent of Arab trade with the rest of the world. And for all the talk of cool relations between Jerusalem and Cairo, annual Israeli-Egyptian trade, excluding oil sales, jumped from an insignificant \$7 million only four years ago to \$77 million last year.

In addition, business deals between Israeli firms and Arab entrepreneurs from the Persian Gulf states are quietly proceeding.

There was one other positive indicator: The Israeli delegation returned from Cairo with an invitation to attend next year's regional economic conference in Qatar. □

### Netanyahu denies reports Peres was advising Arafat

By Naomi Segal

JERUSALEM (JTA) — Prime Minister Benjamin Netanyahu has denied an Israeli newspaper report that opposition leader Shimon Peres had advised Palestinian Authority leader Yasser Arafat not to sign an agreement on Hebron.

"There is no truth whatsoever to these reports,"

said Netanyahu, who reached Peres by phone in Sweden on Sunday night to stress that he gave no credence to the report.

Peres said he appreciated the gesture.

"I think it is ridiculous that a journalist is willing to go on the word of this 'rabbit' who made the claim but is afraid to identify himself," Peres told Israel Television.

The claim, attributed to a "senior political official" quoted in an Israeli newspaper Sunday, came as Israeli and Palestinian negotiators continued efforts to conclude an accord on implementing a long-delayed Israeli troop redeployment in Hebron.

Arafat also denied that Peres had advised him regarding the agreement.

He warned that further delays in negotiations with Israel would pose a "direct threat" to the entire peace process.

Arafat was speaking at a joint news conference in Gaza with Qatari Foreign Minister Sheik Hamad Bin Jassim Al-Thani.

Al-Thani did not visit Israel, but Israeli officials pointed out that he met with Foreign Minister David Levy at last week's regional economic conference in Cairo. □

### Grave in Kiryat Arba still cause of controversy

By Naomi Segal

JERUSALEM (JTA) — Security officials are concerned that the grave of Dr. Baruch Goldstein, the Jewish settler who gunned down Muslim worshipers in Hebron, is becoming a pilgrimage site for Jewish extremists.

"I am afraid lunatics will draw the power from there to carry out another criminal act," police Cmdr. Alik Ron told the Israeli daily *Yediot Achronot*.

The Brooklyn-born Goldstein opened fire on Muslim worshipers in the Tomb of the Patriarchs in February 1994, killing 29 people before he was beaten to death by survivors of the attack.

He was buried on the outskirts of Kiryat Arba, the settlement adjacent to Hebron.

The landscaped area around the grave prompted a stormy debate in the Knesset Interior Committee last week, when Chairman Salah Tareef of the Labor Party demanded that it be dismantled.

Meanwhile, leaders of the Yesha Council of Jewish Settlements in Judea, Samaria and Gaza have contacted Israeli security officials to explore the possibility of moving Goldstein's grave to a site inside Israel, according to Israel Radio.

The main reason for not moving the grave, council leaders were quoted as saying, was opposition by the outlawed, anti-Arab Kach group. □

### Settlement expansion approved

JERUSALEM (JTA) — Israel has approved plans to more than double the size of a settlement in the West Bank.

The plans call for the construction of 1,200 new homes, a country club, nursing home, field school as well as study center for fervently Orthodox Jews in Emmanuel, a Jewish settlement that is near the Palestinian town of Nablus.

Currently, about 700 homes exist in the Emmanuel settlement.

The Palestinian Authority and Israeli Peace Now group immediately condemned the decision, saying that it would sabotage the ongoing Israeli-Palestinian peace process. □

**Report on settlement plan sparks confusion and concern***By Cynthia Mann*

NEW YORK (JTA) — An Israeli newspaper report has made waves by implying that the Jewish Agency for Israel is planning to take part in a project to settle European and U.S. immigrants in the territories.

But some close to the agency dismiss the report as inaccurate or as a result of confusion between it and its sister organization, the World Zionist Organization. The WZO does run settlement projects, paid for with government money, across the so-called Green Line, which divides Israel proper from the West Bank and Gaza Strip.

The Jewish Agency is the principal recipient in Israel of funds raised by the joint annual campaigns of the United Jewish Appeal and local federations. The WZO is the umbrella association for Zionist federations worldwide. It promotes Zionist education and activities as well as aliyah from the West.

The agency traditionally has refrained from funding projects beyond the Green Line largely in deference to political sensitivities between the United States and Israel.

U.S. administrations have made it clear over the years that they prefer that the quasi-governmental agency not be involved because they do not recognize the territories as part of Israel proper. The agency receives U.S. grants for refugee resettlement.

The article published in Ha'aretz reported that the plan was being orchestrated by Sali Meridor, the head of the settlement division of the WZO, and Uri Gordon, the head of the immigration and absorption department of the Jewish Agency.

But the claim that the agency would become involved in such a plan was sharply discounted by Shoshana Cardin, chair of the United Israel Appeal, which is the Jewish Agency representative in the United States and the conduit for UJA money to the agency.

"The Jewish Agency is not involved in this, has not at any time authorized or engaged in any activities in the territories," she said. "I see this as a WZO-initiated action."

**Projects across Green Line**

In fact, the WZO settlement division historically has been involved in projects across the Green Line under both Likud and Labor governments.

But such projects, along with all other activities of the division, are funded entirely with government money, said Meridor, the head of the division, who was reached during a visit to the United States.

The complication comes from the fact that Gordon also is the chairman of the WZO's immigration division. This division is funded by a campaign of Diaspora Jews not living in the United States, called Keren Hayesod.

Gordon sits on the WZO executive with Meridor and, strictly speaking, if Gordon were acting in his WZO capacity while working on the proposal with Meridor, there would be no apparent violation of precedent or practice.

But Gordon reportedly confused the matter by issuing material on the settlement proposal under his Jewish Agency letterhead.

The developments drew fire from Avraham Burg, chairman of both the Jewish Agency and the WZO.

He wrote a three-page letter to Gordon saying that he had no knowledge of the plan, found the reports "very disturbing" and wanted a report clarifying the matter. "If the program is designated for the Jewish Agency, I demand that all activities within this framework be halted until further notice and until the management of the Jewish Agency has investigated the issue," he wrote. □

**Moscow lawyer sentenced for aiding in theft of texts***By Rachel Katz*

ST. PETERSBURG, Russia (JTA) — A Moscow attorney will go to prison for aiding in the 1994 theft of millions of dollars of Hebrew, Chinese and Arab manuscripts from the Russian National Library.

Dmitry Yakubovsky, 33, was sentenced Nov. 14 to five years in prison.

He was also stripped of his property on charges of complicity in the theft of objects of national value.

The heist allegedly was organized by an international criminal organization spanning Israel, Switzerland and Russia.

The 89 manuscripts, whose value has been estimated at between \$250 million and \$700 million, were to be sent to Israel and sold, the prosecution charged.

Defense attorneys vowed to take the case to the Russian Supreme Court.

"We don't believe he is guilty on any of the charges," said defense team leader Genrikh Padva. "We will appeal this to the end."

Arrested in January 1995, Yakubovsky has been held in St. Petersburg's notorious Kresty Prison throughout the investigation and trial, which began in the spring.

According to testimony presented at the trial, Yakubovsky was to arrange for the transfer of the manuscripts, some of them 1,300 years old, to the Jewish state.

His precise role in the actual theft, however, was never clear.

Police first discovered the theft in December, after which a series of arrests in Moscow, Israel and St. Petersburg led them to Yakubovsky.

The manuscripts were then discovered in a St. Petersburg apartment.

Yakubovsky first rose to national prominence just before the withdrawal of Russian troops from Germany, when he was tapped to lead investigations into corruption among army officers.

The effort gained him the nickname "General Dima."

Russian President Boris Yeltsin later used him to gather information on political rivals, including then-Vice President Alexander Rutskoi, who led the ill-fated blockade of the Russian Parliament building in October 1994.

Known as a jet-setter, Yakubovsky frequently traveled to Israel and Canada, where his wife, Marina Krasner, lives with their three children. □

**WWII hideout found in Amsterdam***By Ruben E. Vis*

AMSTERDAM (JTA) — In a story that brings Anne Frank to mind, a new owner of an Amsterdam apartment recently discovered a hiding area above a closet that apparently was used during the Holocaust.

The owner of the apartment also found various items in the space that had not been touched in about five decades.

The items included a mattress and copies of a German medical magazine from 1942 and 1943.

A German Jew may have hid in the apartment, given the type of objects found and the location of the apartment, said a staff member of a museum here about the Resistance.

The apartment is located in an area where many Jews lived before World War II.

Efforts are under way to locate the person who hid here, but sources said the person probably did not survive the Holocaust. □

## **Australian anti-racism move provokes mixed Jewish reaction**

By Jeremy Jones

SYDNEY, Australia (JTA) — Jewish leaders here voiced mixed emotions after Australia's Senate and House of Representatives adopted resolutions condemning racism and reaffirming principles of non-discrimination.

The resolutions, adopted late last month after more than seven weeks of divisive public debate, affirmed Australia's commitment to a non-discriminatory immigration policy and stressed the need to maintain the country "as a culturally diverse, tolerant and open society."

The resolutions went on to denounce "racial intolerance in any form as incompatible with the kind of society we are and want to be."

While applauding the move, Australian Jewish leaders felt that more needed to be done.

Diane Shteinman, president of the Executive Council of Australian Jewry, said in an interview that she was "relieved that the government [was] finally doing something to try to stem the escalating racist comments in public debate" and welcomed the bipartisan nature of the resolution.

"But we have a long way to go in the healing process, with so much harm done while the debate has been raging," she added.

Rabbi Brian Fox, the president of the Council of Christians and Jews in Sydney, said in an interview that the resolution was "good, as far as it went," but added that "the young people of Australia are looking for a clear moral message."

"I am disappointed that the prime minister cannot bring himself to confront Pauline Hanson directly and name her as a destructive force in Australian life," Fox added.

The public debate on race, multiculturalism and immigration began in September, when Hanson, a newly elected member of Parliament, attacked Asian immigration to Australia and repeated her hostility toward granting welfare benefits to indigenous Australians.

The issue was prominently featured in the Australian and Asian media, with many observers saying that Australian Prime Minister John Howard, who had not specifically repudiated Hanson's comments, was in effect supporting racism.

Since Hanson made the comments, Howard, who was himself damagingly identified with opposition to Asian immigration in 1988, has been under intense pressure to publicly dissociate his government from her stance. □

## **Czech Jews criticize police for tolerating racist march**

By Randi Druzin

PRAGUE (JTA) — Leaders of the Czech Jewish community and of the country's Gypsy population have criticized police in the western Bohemian town of Chodov for their handling of a recent march at which skinheads shouted racist slogans.

Although the march was publicized with fliers containing racist slogans, it was sanctioned by authorities as a demonstration against drugs, violence and prostitution.

Police said the 250 demonstrators who chanted "Police out!" and "Gypsies out!" as well as anti-Semitic slogans did not disrupt public order.

"The demonstrators are illiterate and don't know what they are saying," said Tomas Kraus, executive director of the Federation of Jewish Communities in the Czech Republic.

"What other explanation is there when the citizens

of a nation that was oppressed by the Nazis participate in such a march?"

"The actions of [the Chodov] authorities cannot be tolerated," he added.

Ivan Vesely, secretary of the Romany Democratic Congress, condemned the march for having "public displays of racism and anti-Semitism."

He criticized local police, whose only response to the event — aside from briefly detaining a 15-year-old boy for shouting "Jews out!" — was to implore Gypsies beforehand not to leave their homes during the Nov. 2 march.

He added that the police's attitude was reminiscent of Nazi Germany, which "tolerated various violent groups." □

## **Study links protein with diabetes**

NEW YORK (JTA) — Leptin, the protein that made headlines two years ago when it was found to reduce obesity in mice, may be a cause of adult-onset diabetes in humans, according to a new Weizmann Institute of Science study.

The institute, based in Rehovot, Israel, found that high levels of leptin disrupt some of the activities of insulin, the hormone that controls blood sugar levels.

The research also suggests that if leptin is developed into a weight-loss drug in the future, it should be used with caution because it may cause the user to develop diabetes-related symptoms. □

## **Israel downplays reports on Ron Arad**

JERUSALEM (JTA) — Reports surfaced this week that a prisoner exchange involving missing Israeli airman Ron Arad may soon take place.

The British newspaper The Independent reported Sunday that Lebanon planned to give Arad's fingerprints to German mediator Bernd Schmidbauer as evidence that he is still alive.

Arad's fighter plane was shot down in 1986 over Lebanon.

Israeli officials have repeatedly maintained that Iran is holding him.

According to reports from Lebanon, Arad would be exchanged for two Hezbollah leaders Israel abducted from Lebanon in the 1980s, Sheik Abdel Karim Obeid and Mustafa Dirani.

Israeli security officials reacted skeptically to the reports of a prisoner swap. □

## **IDF center renamed 'Camp Rabin'**

JERUSALEM (JTA) — One year after the assassination of Yitzhak Rabin, the Israel Defense Force general staff headquarters in Tel Aviv was named after the slain leader.

Members of the Rabin family, the IDF chief of staff and Defense Minister Yitzhak Mordechai were among those attending the recent ceremony, when the Defense Ministry compound was renamed "Camp Rabin."

Two helicopters flew over Tel Aviv bearing a giant picture of Rabin and the slogan, "We Will Remember You Always."

The banner measured some 770 square yards.

Rabin was shot Nov. 4, 1995, as he was leaving a peace rally held in a Tel Aviv square near the IDF headquarters.

Also recently, more than 100,000 Israelis attended a memorial concert at the square, which now bears Rabin's name. □