



NEWS AT A GLANCE

■ **Israeli Prime Minister Benjamin Netanyahu said he would adhere to his policy of expanding existing settlements in the West Bank and Gaza Strip.** The premier's comments, made during a tour of the West Bank settlement of Ariel, came a day after Egyptian President Hosni Mubarak warned that settlement expansion was "extremely harmful" to the peace process.

■ **Former SS Capt. Erich Priebke fired his defense attorney just weeks before the start of a retrial in Italy for his role in the World War II slaying of 335 Romans, about 75 of whom were Jews.** The firing came a day before a scheduled hearing on Germany's request to extradite Priebke.

■ **An Israeli team identified the body of the seventh and final Israeli killed in the crash of the hijacked Ethiopian airliner off the Comoro Islands.** One Israeli survived the ill-fated flight.

■ **The Middle East Economic Strategy Group of the Council on Foreign Relations released a report calling for urgent action to stabilize the Palestinian economy.** The group, chaired by Paul Volcker, called for reduced dependence on Israel and an international free-trade zone in Gaza.

■ **Jacob Frenkel, governor of the Bank of Israel, decided not to change the key lending rate for the month of December,** fulfilling economists' predictions that he preferred to wait until the 1997 budget is formulated before lowering interest rates.

■ **The U.S. House Banking and Financial Services Committee slated a hearing next month on assets deposited in Swiss banks by Holocaust victims.** The hearing will also explore Switzerland's role in the buying and selling of Nazi gold.

■ **A Jordanian airliner landed in Haifa, marking the inauguration of an air service that will link Haifa with the Jordanian capital of Amman by the end of the year.**

REMINDER: The JTA DAILY NEWS BULLETIN will not be published Friday, Nov. 29.

NEWS ANALYSIS

Israel, U.S. Jews refrain from entering U.N. fray

By Cynthia Mann

NEW YORK (JTA) — Israel and American Jews are sticking to the sidelines of the diplomatic maneuvering triggered by the recent U.S. veto of a second term for the United Nations secretary general.

They appear confident that whatever the outcome, U.S. veto power in the Security Council will ensure the political palatability of any successor to Boutros Boutros-Ghali.

Israel, which has been fighting for decades against discrimination in the international body, clearly has nothing to gain by entering this diplomatic fray.

It cannot afford to antagonize its closest ally, the United States, by throwing support to Boutros-Ghali. At the same time, it cannot risk opposing the Egyptian and alienating Arab and African countries with which it has begun to forge relations after years of strain and animosity.

So any public comments on the imbroglio are carefully couched.

"Israel has not been asked, so it did not respond," said one Israeli official. "It's a matter for the Security Council before it comes to the General Assembly."

The United States was the only one among the 15 members of the Security Council last week to oppose Boutros-Ghali in his bid for a second term.

The 74-year-old diplomat declined to take himself out of the running, relying on strong support by African nations, who were outraged by the U.S. veto.

The Africans have argued that U.N. leaders from Europe and Asia traditionally have enjoyed two terms.

The United States, in turn, said it recognizes the right of an African to a second term, but called on those nations to come up with alternative candidates.

They had been expected to come forward with a list of other names this week, but decided instead to continue backing the secretary-general.

Still, perseverance by the diplomat, whose term expires Dec. 31, is seen as futile amid a U.S. call for new leadership at the international body.

The United States holds that Boutros-Ghali has failed to institute reforms that would make the United Nations more effective and efficient.

The U.S. administration maintains that the conservative U.S. Congress would not support the body and pay its more than \$1 billion in arrears if there were no changes.

Performance gets mixed reviews

The United States now expects to see a compromise candidate surface in the coming weeks. That candidate would have to be ratified by the General Assembly.

Meanwhile, American Jews and Israelis give Boutros-Ghali mixed reviews for his performance since assuming the post five years ago.

Some paint him as an ardent champion of the Middle East peace process, human rights and democracy, while others say he did not do all he could to fight anti-Semitism and Israel's second-class status at the United Nations.

"He was open to us and always expressed sympathy for our agenda," said Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations.

"But it is a question of results, and there we found things lacking," said Hoenlein, making clear his organization steers clear of endorsing any candidates.

For his part, an Israeli official refrained from public comments on the secretary-general's tenure. He would say only that, "Israel has a lot of appreciation for Boutros-Ghali for his role in the peace negotiations with Egypt."

Boutros-Ghali became well known as Egypt's foreign minister in the late 1970s and for his active role in the Middle East peace process.

He joined the late Egyptian President Anwar Sadat on his historic

visit to Jerusalem in 1977 and helped negotiate the Camp David Accords in 1978.

Some Israelis viewed him as a hawk then, and as responsible for preventing Sadat from making too many concessions to Israel.

Remnants of suspicion and mistrust linger, though the Coptic Christian who is married to a woman of Jewish origin has reached out to American Jewish leaders, most recently in an effort to secure their political backing.

But Felice Gaer, director of international organizations at the American Jewish Committee, said what she described as Boutros-Ghali's lukewarm record on Israel "demonstrates the correctness of the U.S. position."

"There has been progress" on Israel's status at the United Nations, she noted, but it has been due primarily to efforts by Israel and the United States, "not to the efforts of the secretary-general."

"As the first secretary-general from a country in the Middle East, an Islamic country, he had an extraordinary opportunity" to "exercise leadership in Israel's normalization," she said.

Gaer pointed to Boutros-Ghali's failure to take up the cudgel for Israel's placement in a regional grouping in the international body. Such membership is a prerequisite for serving on key U.N. bodies, including a rotating post in the Security Council. Israel is the only member nation excluded.

She said he also did not use enough leverage to try to moderate some of "the excessively vitriolic resolutions" that continue to get passed in U.N. committees.

Some insiders say there is no precedent for such public pressure by a secretary-general and point to Boutros-Ghali's claim that he has tried to exercise his influence behind the scenes. At the same time, they concede that the fruit of such private efforts has been scanty. "We would have liked to have seen a more vigorous approach," said Hoenlein of the Conference of Presidents.

Harris Schoenberg, director of U.N. affairs for B'nai B'rith, lauded Boutros-Ghali, saying he "has done more to promote human rights and democracy at the U.N. than any other secretary-general."

Gaer disagreed, calling the secretary-general a "disappointment" in the human rights arena. She pointed to his unsuccessful efforts in early 1994 to discourage the appointment of a high commissioner for human rights.

'Rushing out a biased report'

Schoenberg, whose organization also is neutral on the candidacy, also praised Boutros-Ghali for his "forcefulness" in trying to combat international terrorism.

On Middle East issues specifically, he hailed Boutros-Ghali as "a man committed to the peace process." But he noted "three major disappointments" in his record.

They include the secretary's failure to endorse the 1991 repeal of the resolution equating Zionism with racism, his call on the Security Council for sanctions against Israel after the Rabin government in 1992 deported 400 Islamic fundamentalists, and his "rushing out a biased report" earlier this year after the Israelis accidentally killed scores of refugees sheltered at a U.N. base in southern Lebanon.

One U.S. official said his performance on matters related to Israel and the peace process were beside the point, "since we don't see the U.N. as a forum for the peace process."

"We don't need a supreme diplomat" in the role of secretary-general, said the U.S. official, who asked to remain anonymous.

"We need an efficient manager" who makes sure "the institution can meet the challenges of the 21st century." □

Senior IDF officer discusses breaches of self-rule accords

By Naomi Segal

JERUSALEM (JTA) — The Israeli army's coordinator of activities in the territories has presented a key Knesset committee with a Palestinian list of alleged Israeli violations of the self-rule accords.

In his appearance Tuesday before the Knesset Foreign Affairs and Defense Committee, Maj. Gen. Oren Shahor said the 34-point list included complaints about the long delay in the Israel Defense Force redeployment in Hebron.

The Palestinians also charged that Israel had failed to open a safe passage route for Arabs traveling between the West Bank and Gaza Strip, as called for in the Interim Agreement signed last year in Washington.

Shahor, who last week presented the Knesset committee with a list of Israeli complaints against the Palestinians, said that many of Israel's delays in implementing the accords were due to security considerations.

He said that other Israeli violations of the accords were isolated and unintentional.

Jerusalem Mayor Ehud Olmert, who also appeared before the committee, discussed what he said were efforts by the Palestinian Authority to strengthen its hold on eastern Jerusalem.

Olmert, a Likud Knesset member, proposed this week that West Bank settlements and satellite communities around the capital be annexed to Jerusalem before the start of the final status negotiations, which will include discussions regarding the future of Jerusalem.

Olmert had proposed that Prime Minister Benjamin Netanyahu annex Ma'aleh Adumim, Givat Ze'ev and the Etzion bloc of settlements in the Bethlehem area, according to the Israeli daily Yediot Achronot. □

One-third of Israeli youths say they hate Arabs, survey shows

By Naomi Segal

JERUSALEM (JTA) — More than 35 percent of Israeli youths said they hate Arabs, according to a survey by the Carmel Center for Social Research.

Two-thirds of the young people surveyed said they do not believe that Arabs should be given equal rights in the Jewish state.

The poll of about 3,700 Jewish and Arab high school students was conducted in 1994 on behalf of the Israeli Education Ministry.

The wide-ranging survey also asked students about their conceptions of leadership as well as their motivation to serve in the army.

About 50 percent of the Jewish youths polled said they were willing to serve in combat units in the army, compared with 63 percent in 1988.

Particularly low motivation levels were found among secular Jewish youths; 59 percent of those from kibbutzim said they were willing to serve in combat units, a 20 percent drop from 1988.

Meanwhile, in the religious camp, motivation levels were higher. Almost 90 percent of youths from religious kibbutzim, 85 percent from Jewish settlements and 68 percent from religious seminaries said they would serve in combat units.

Fully 43 percent of the Jewish youths polled said Israeli Arabs should be allowed to serve in the Israel Defense Force.

Some 75 percent of the Israeli Arab youths polled said they were ready to serve in some kind of national service. □

NEWS ANALYSIS**Jewish groups ready to deal to resolve restitution issue**

By David Landau

OSLO (JTA) — "How much will you offer?"

This age-old question, which signifies that people are ready for business, is becoming the unofficial negotiating posture of the world Jewish campaign for Holocaust restitution.

This policy shift emerged in conversations with key figures attending a conference of the World Jewish Congress on restitution, held in the Norwegian capital this week.

The significance of the shift is that the handful of Jewish officials involved in making restitution policy now will be prepared to accept less than the true magnitude of a country's accrued debt — in return for a prompt settlement made without acrimony.

One important consideration behind the policy shift is that soon there will be no living survivors who can benefit directly from compensation for Holocaust-related plunder.

The new negotiating policy will likely be applied in discreet diplomatic contacts between WJC officials and the governments of Holland and France, among others.

It is already being applied, in effect, in intensive negotiations with Swiss bankers and government officials in Bern. According to unofficial, but well-founded reports from these behind-the-scenes negotiations, Switzerland is considering making an interim settlement offer to world Jewry. The details depend upon the conclusion of inquiries into the role of Swiss banks in holding Jewish deposits as well as those made by the Third Reich, some of which originated in Jewish wealth.

These inquiries came after the WJC and U.S. officials launched a steady barrage of accusations that Swiss banks have hidden behind their secrecy laws in an effort to block the return of assets belonging to Holocaust victims or their heirs.

They also came after the WJC unearthed a series of recently declassified documents that it says proves that Switzerland helped finance Hitler's war effort by laundering money for Nazi Germany.

Swiss government and banking officials are now said to be ready to come up with a sizeable restitution sum even before the conclusion of the ongoing investigations.

Informed sources said that \$250 million was mentioned as a figure for the interim settlement in talks held in Switzerland last week.

Future dialogues planned

Following the Oslo conference, WJC leaders hope to be able to embark on similar dialogues with other countries.

WJC sources disclosed that an \$8 billion claim against the Dutch government is being submitted by the local community, with WJC backing.

In practice, realistic expectations of eventual compensation are significantly more modest.

Much depends, politically and psychologically, on the precedent set by Norway.

"This is the moral responsibility of our generation," Norwegian Prime Minister Thorbjorn Jaglard told the WJC delegates at the opening session of the conference this week.

As the seat of the Nobel Peace Prize, and in its more recent role as facilitator of the Israeli-Palestinian peace breakthrough, Norway is widely seen as an example in international affairs to be respected and emulated.

The WJC chose Oslo as the venue for this week's

biannual meeting of its leadership, officials said, because of what they described as Norway's forthcoming posture on making restitution for properties seized from Norway's Jews during World War II.

The Norwegian government set up a commission earlier this year to study the restitution issue, and its report is due in March.

But in his address to the WJC conference Monday, Jaglard was less outspoken than the Jewish leaders had expected. He spoke of "allegations" that had "surfaced in the press" regarding "the fate of Jewish property confiscated by the Quisling Nazi government in Norway."

He pledged that his government "will consider appropriate follow-up measures and submit our proposals to parliament," after the commission issues its findings.

WJC officials had hoped for a more unequivocal affirmation of Oslo's intention to pay back the plundered Jewish property.

Jaglard had given such a commitment to WJC President Edgar Bronfman in a private meeting Monday, according to these officials.

Bronfman, addressing the WJC delegates, said Norway's behavior in this matter was "a great moral precedent" that would strengthen Jewish claims against other Western European nations.

The fact that Norway's pre-war Jewish community numbered approximately 1,800, 700 of whom were slaughtered at Auschwitz, and that the present number of its Jews does not exceed 1,250, renders restitution a manageable matter for Norway.

But translated into French or Dutch terms, any settlement arrived at between the Norwegian government and the Jews could have very significant monetary implications, given the size of their pre-Holocaust Jewish communities.

Thus, the WJC believes that the Dutch, the French and others would be willing, indeed anxious, to entertain the question: How much will you offer?

Nonetheless, putting forth that question in negotiations is not necessarily endorsed by the full range of Jewish groups engaged in the restitution issue.

The idea of an interim settlement pending final investigation of the Swiss banks record is not unanimously supported even among the small group who make policy on the Jewish side.

Groups urged to stay united

Some feel that to accept a payment-on-account now would weaken the principled demand for full disclosure and an exhaustive setting straight of the historical record.

Meanwhile, the WJC is demanding categorically that all Jewish groups stay united and not cut their own deals with the Swiss or with other negotiating partners.

The WJC looked askance at the recent announcement that AMCHA, an Israel-based counseling organization for second-generation Holocaust survivors, was awarded \$500,000 by the Swiss.

Despite the call for unity, when sizable sums of restitution are recovered, some observers predict keen competition, or even outright conflict, among the Jewish groups concerned with restitution.

Officials assembled here contend that there is agreement among the Jewish groups on the broad outlines of a policy for distribution of the funds.

The first priority would be needy survivors, whose claim upon the restitution funds is universally recognized as taking moral and practical precedence over all else.

Following that, officials from all parts of the Jewish world, including Jewish Agency for Israel leaders, say that the top priority would be Jewish education in the Diaspora. □

Holocaust museum official to head Spielberg foundation*By Tom Tugend*

LOS ANGELES (JTA) — Michael Berenbaum has been named president and CEO of the Survivors of the Shoah Visual History Foundation.

Berenbaum will resign as director of the Research Institute of the U.S. Holocaust Memorial Museum in Washington, D.C., to assume his new position in January in Los Angeles.

The Shoah Foundation was established by Steven Spielberg, following the success of his film "Schindler's List," to videotape and preserve the testimony and experiences of Holocaust survivors around the world.

More than 23,000 survivors in 28 countries have been interviewed.

The Foundation aims to interview 50,000 survivors by the end of 1997.

Spielberg praised Berenbaum's background as a scholar and said he would spearhead "the educational distribution of the archive and further the foundation's mission over the next few critical years."

Berenbaum said he also would be involved in continuing development of tolerance and Holocaust studies curricula.

In a phone interview, Berenbaum responded to occasional criticism that the Shoah Foundation, thanks to Spielberg's financial backing, tended to stifle the work of institutions engaged for many years in interviews of survivors.

Other Holocaust projects, he said, "are all related to each other. We are colleagues, not competitors."

Five of the leading Holocaust research centers have been designated as repositories for the testimonies being taped by the Foundation. They are Yad Vashem in Jerusalem, the U.S. Holocaust Memorial Museum, the Simon Wiesenthal Center in Los Angeles, the Fortunoff Video Archive at Yale University and the Museum of Jewish Heritage in New York.

Some critics of Spielberg's effort have questioned whether the Shoah Foundation's interviewers possessed the historical background and scholarly depth for their sensitive work.

"That's one reason Steven Spielberg turned to me," said Berenbaum, who has written 11 books on different aspects of the Holocaust and is an adjunct professor of theology at Georgetown University.

Berenbaum, 51, was a key figure in the creation of the U.S. Holocaust Memorial Museum as its first project director. Early last year, he was a candidate to serve as the museum's overall director, but was not selected by the museum's executive committee. □

French mayor blocks honor for Jewish writer at book fair

NEW YORK (JTA) — The right-wing mayor of the southern French town of Toulon has created an uproar by refusing to honor Jewish writer Marek Halter at the local book fair.

Mayor Jean-Marie Le Chevallier of the National Front Party last week rejected fair organizers' recommendation that Marek be honored with a literary prize at the three-day fair.

Chevallier, who called the fair a "celebration of the liberty of books," dismissed the recommendation to honor Halter as "inopportune."

Chevallier said fair organizers were attempting to embarrass the National Front.

Instead, he said the award should be presented to

former actress Brigitte Bardot, whose memoirs have topped the French best-seller lists for months.

In the wake of widespread criticisms of Chevallier, Bardot did not attend last Friday's award ceremony.

The criticisms also prompted numerous participants to absent themselves from the fair. A parallel fair was held in a nearby village.

Bardot's husband, Bernard D'Ormale, is a member of the National Front, which espouses a nationalist, anti-immigrant agenda.

The party's leader, Jean-Marie Le Pen, has frequently made anti-Semitic and racist statements, and Chevallier is regarded as a close friend and confidant of his.

Chevallier's denial of the award to Halter prompted a fresh round of accusations that the Front is anti-Semitic.

At a meeting last Friday to discuss the issue, Halter was joined by French Culture Minister Philippe Douste-Blazy, other culture ministers and several leading writers.

Halter, whose family escaped the Warsaw ghetto in 1941, told reporters that this was the first time he had felt unwelcome as a Jew in France.

Douste-Blazy said the National Front was engaged in a "general offensive" against culture and called for a fight against the party "without mercy, without respite, without compromise." □

Argentine police on alert to prevent neo-Nazi summit*By Sergio Kiernan*

BUENOS AIRES (JTA) — Police in southern Argentina spent the weekend cordoning off roads in an attempt to prevent a clandestine gathering of neo-Nazis.

Security officials in the southern Argentine province of La Pampa went on high alert after large signs were posted hailing the "Nazi Summit of the Americas" and inviting locals to receive the "new Fuhrer."

A local judge, Maria Garcia, initiated an investigation into who hung those signs as well as flags bearing swastikas. She then ordered area police to prevent the militants from meeting.

Authorities would not say which group called for the gathering.

But an official with the local branch of the Argentine Intelligence Secretariat said it suspected "an Argentine group with strong contacts with neo-Nazi organizations in Chile, Brazil and the United States."

"Even Americans might be coming to the summit," the intelligence source said.

Police also were apparently searching for neo-Nazis at isolated ranches. No arrests were reported.

The La Pampa office of DAIA, the Argentine Jewish umbrella organization, received "full guarantees" from the local government that the police "will prevent the meeting from taking place."

Local DAIA officials said they were satisfied with the efforts to prevent a meeting.

An unidentified neo-Nazi militant said that "Erich Priebke's grandson will address the summit," local media reports said.

Priebke, now jailed in Italy, was deported from Argentina to stand trial for his role in the 1944 massacre of 335 Romans.

He was found guilty of taking part in the slayings, but was acquitted because of a 30-year statute of limitations.

He was immediately rearrested pending appeals and a German extradition request.

Italy's highest appeals court last month nullified the controversial verdict and ordered a retrial. □