



## NEWS AT A GLANCE

■ The four major streams of U.S. Jewry issued statements expressing full support of the United Jewish Appeal-Federation annual campaign. The unified expression of support came in the wake of some threats to bypass the central fund-raising campaign because it does not do enough to bolster the cause of religious pluralism in Israel.

■ Diplomats from around the world criticized Israel's decision to build new Jewish housing in eastern Jerusalem. The U.N. General Assembly debate on the matter angered Israeli and U.S. Jewish officials, who said the United Nations was not the proper venue for Israeli-Palestinian disputes. [Page 3]

■ A group of congressional Democrats, as well as some Jewish groups, called on the Clinton administration to reconsider its participation in a meeting called by Palestinian leader Yasser Arafat to discuss Jerusalem and the peace process. [Page 3]

■ Israeli opposition leader Shimon Peres declined an invitation to participate in Yasser Arafat's gathering in Gaza over the weekend. He said the Israeli prime minister should not be too ruffled by the conference of international leaders. [Page 3]

■ Arab American groups launched a nationwide campaign to protest Israeli plans to build in Jerusalem. They scheduled "Teach-ins" at 100 locations to focus on what they termed Israel's "policies of apartheid" and "ethnic cleansing." The National Jewish Community Relations Advisory Council termed the statements "deeply offensive." [Page 4]

■ Israeli Prime Minister Benjamin Netanyahu concluded an official visit to Russia, declaring a "new partnership" between the two countries.

■ Polish prosecutors reportedly dropped legal action against a prominent Catholic priest for anti-Semitic remarks made during a 1995 sermon. The priest, Henryk Jankowski, made his remarks in the presence of then-President Lech Walesa.

## FOCUS ON ISSUES

### Jewish Agency seeks new form in bid to hold on to federations

By Cynthia Mann

DEAD SEA, Israel (JTA) — The Jewish Agency for Israel is trying to transform itself in a way that finds favor with local federations, which are a lifeline for the organization but are re-examining that role.

Federations across the United States provide half of the agency's \$400 million annual budget.

In an important signal of reform, the agency unveiled a new restructuring plan at a meeting of its Board of Governors late last month.

In a strike for efficiency, it would take over the bulk of the operations of its organizational partner, the World Zionist Organization.

And in a big step toward depoliticization, it would rein in its vast Jewish education authority. A more systematic authority would help the agency "make Jewish identity-building a top priority," said Avraham Burg, chairman of the Jewish Agency.

The aim of the plan is as clear as the stakes are high.

Next September, the federation system's so-called exclusivity contract with the agency expires.

That contract obliges the federations to funnel the Israel allocations from their local fund-raising campaigns to the agency via the United Jewish Appeal and the United Israel Appeal.

The agency, therefore, is under intense pressure to demonstrate to federation leadership that it is an efficient operation performing a meaningful mission. Under Burg's leadership, it has undertaken a dramatic fiscal recovery plan that has already eliminated the annual deficit.

"The question is," said one insider who asked not to be named, "will communities and major contributors have the patience to see this through? Some think it's too late."

The Jewish Agency probably is best known as the entity responsible for the "ingathering of exiles" from all corners of the earth and their absorption in Israel. That is the historical mandate assigned it on behalf of world Jewry by the government of Israel shortly after the founding of the state. In recent years, the agency has brought more than 700,000 immigrants to Israel, mostly from the former Soviet Union.

But the end of mass aliyah is now in sight, with the influx from the former Soviet Union expected to taper off in the next five to 10 years. At the same time, priorities among Diaspora donors are changing as they repeatedly hear reports of Israel's robust economy from the prime minister himself.

### Decline in overseas allocations

They and their dollars are more urgently occupied by local needs intensified by both welfare cuts and the realization that better Jewish education is the best antidote to assimilation.

These developments are reflected in a decline in overseas allocations from the annual campaigns run by federations in concert with UJA. While the figure varies from one community to another, the total allocation overseas has dropped from about 51 percent of the gross campaign 12 years ago to less than 42 percent today.

That trend is being further fueled by protest in some quarters that the Jewish Agency is not giving enough money to non-Orthodox streams of Judaism in Israel. It allocates about \$1 million annually each to Reform, Conservative and Orthodox institutions and programs.

All of these changes have left the agency's leaders scrambling to redefine their long-term mission and to debate the long-awaited proposal for restructuring. The plan is slated for action in June by the full agency assembly in Jerusalem. In an apparent indication of the high stakes, members retreated to the Dead Sea, away from the distractions of Jerusalem, their usual meeting place. Indeed, agency defenders say that if the latest salesmanship efforts fail among federations, centralized philanthropy to Israel could splinter into myriad donor-directed grants to other causes and institutions.

And that, they say, would place at risk the only forum where a diverse world Jewry can meet and decide policy for common concerns. Joel Tauber, immediate past president of UJA, was upbeat about

developments at the Dead Sea. "A process like this moves us closer to what the federations would like to see happen," he said. It "provides more say for the Diaspora than before," especially in the area of education.

But the president of the Council of Jewish Federations, Dr. Conrad Giles, sounded a more cautious note.

"It is important to realize that this is only part of the process required to convince the federation system that JAFI should be their exclusive address for answering Israel's needs." He said he could not anticipate the response of the federations until they discuss the matter at their quarterly meetings in April.

Meanwhile, he said he believed the agency could be "repaired and redirected" to continue serving the system. "The alternative is frightening," he said, referring to the possibility that "the Diaspora would give up its ability to collectively impact Israeli society."

At the meetings, communal affairs scholar Gerald Bubis underscored the urgency of the delegates' task.

"The future of JAFI will be decided in the marketplace of Jewish life. If change, where and when it is appropriate, is not forthcoming, JAFI will wither from lack of support and use."

Members took up Bubis' challenge and passionately debated their visions of the agency's future in daylong strategic planning sessions.

#### **Expanding 'spiritual rescue' mission**

There was broad consensus that the agency must continue to be responsible for aliyah and the physical rescue of Jews, at the same time that it should expand its mission of "spiritual rescue."

In that vein, delegates said the agency should play the central role in preserving the Israel-Diaspora bond and strengthening worldwide Jewish identity and peoplehood.

To that end, they called for the agency to make education an even higher priority. Above all, it was clear the Jewish Agency no longer wants to be viewed as a Diaspora "charity" for Israel, but as a unique vehicle for partnership in service to all Jewry. Such brainstorming, however, was clearly for the long term.

The restructuring plan is the agency's attempt to prove immediately that it is rationalizing its system so that it can effectively implement its objectives.

Highlights of the proposal include:

- Folding the bulk of operations of the WZO into the agency, consolidating the two administrations and stopping agency funding of the WZO in two years.

The WZO long has been a partner organization funded by the agency, with a separate administration and budget. Only a few WZO functions are slated to remain.

- Taking over the Joint Authority for Jewish and Zionist education.

The authority has been a semi-autonomous joint venture of the agency and the WZO, fraught with politics that have been a source of frustration for many federations.

- Setting up four departments or "pillars" around immigration and absorption, education, Israel, and the former Soviet Union.

- Giving the director general of the agency control over all departments rather than have each department be semi-autonomous.

- Eliminating paid politically appointed Israeli heads of departments.

This last change marked a clear victory for the Diaspora fund-raising establishment, whose representatives make up half of the agency board. They long have viewed the posts as wasteful political patronage jobs.

The WZO makes up the other half of the board and is comprised of members of the world's Zionist political parties.

They have countered that the political appointments were a reflection of democratic and Zionist ideology vital to the functioning of the agency. In recent years, they depicted the onslaught against these jobs as an assault on Zionism itself.

But at the Dead Sea, several rationalized the restructuring plan as a victory for the Zionists despite the fact that it dramatically downsizes the WZO. They claimed it as proof that the entire system has been "Zionized."

Others expressed their disappointment.

Yehiel Leket, a Labor Party WZO leader, said the plan falls short of important reform because the leadership is still limited to Diaspora fund-raisers and the WZO and does not reflect a broader spectrum of Israeli and Diaspora Jews.

Leket called this failure to provide a new formula for Israeli-Diaspora partnership in the governance structure a "surrender to the status quo."

Leket's complaint, echoed by other board members, is likely to be a major focus of discussion by federations.

Still, one highly placed U.S. fund-raiser said the plan would strike a positive chord back home.

"What the Jewish Agency had to create was visible, demonstrable change" that indicates "it understands the pressures on the ground in the federation system," he said.

"What it achieved was a significant step in that direction," he said. □

#### **Accused Nazi in Kansas City dies 2 months after shootout**

*By Wendy J. Rosenthal*

*Kansas City Jewish Chronicle*

KANSAS CITY, Kan. (JTA) — After lying unconscious in a hospital bed since a New Year's Eve shootout with police, an accused Nazi war criminal has died.

Michael Kolnhofer died Sunday at the University of Kansas Medical Center. He was 80.

The U.S. Justice Department had sought to revoke Kolnhofer's citizenship because he was suspected of concealing his wartime past when he immigrated to the United States. He was accused of being a guard at two concentration camps during World War II.

Kolnhofer was injured in an exchange of gunfire that ensued after reporters gathered at his home Dec. 31, after federal authorities filed papers seeking to denaturalize the Croatian native.

During surgery, doctors believe, Kolnhofer suffered brain damage, and he never regained consciousness.

On Jan. 2, Kolnhofer was charged with three counts of aggravated assault against law enforcement officers. In light of his health, a formal reading of the charges in Wyandotte County District Court never occurred. Now the federal charges against him will never be aired in court, either.

The Office of Special Investigations, the Justice Department's Nazi-hunting arm, and the U.S. Attorney's Office filed a complaint alleging that Kolnhofer entered the German Waffen-SS in September 1942 and served as a guard at the Sachsenhausen and Buchenwald camps.

The complaint alleged that Kolnhofer lied about his World War II military service in order to enter the United States in 1952. He became a U.S. citizen in 1957.

Kolnhofer was charged with participating in the persecution of Jews and other civilians at Sachsenhausen, near Berlin. He was transferred in January 1944, to Buchenwald, near Weimar, Germany. "He never would have received a U.S. visa had he disclosed the truth," said Eli Rosenbaum, director of OSI. □

## U.N. debate targets Israel as tensions mount in Jerusalem

By Cynthia Mann

UNITED NATIONS (JTA) — The international community stepped up pressure on Israel this week when the U.N. General Assembly called an urgent session to debate plans for construction in eastern Jerusalem.

One speaker after another accused Israel of undermining the peace process by altering the “facts on the ground” and pre-empting final-status negotiations with the Palestinians.

They called on the Israeli government to rescind the decision to build Jewish housing at Har Homa, referring to it by its Arabic name, Jamal Abu Ghenaïm.

Several also used the opportunity to criticize Israel’s decision to further redeploy from 9 percent of the West Bank as insufficient and a sign of bad faith.

The debate by the 185-member assembly followed the U.S. veto last week of a Security Council resolution critical of the Israeli initiative in eastern Jerusalem.

Speakers made it clear they believed that the United States had flouted international will, forcing them to take up the matter.

The session was expected to last through Thursday and was likely to culminate in a non-binding resolution condemning the Israeli action.

As diplomats from around the world vented their anger and concern here, Israeli leaders back in Jerusalem were struggling to cope with the damage.

Israeli Prime Minister Benjamin Netanyahu said Palestinian Authority leader Yasser Arafat’s plans to convene foreign diplomats in Gaza over the weekend to discuss the peace process was a violation of previous agreements.

He accused Arafat of creating a crisis in advance of crucial talks slated to begin soon on the final-status agreement.

### Har Homa called a ‘colonial settlement’

Meanwhile, at the U.N. General Assembly, the permanent Palestinian observer to the United Nations, Nasser al-Kidwa, opened the debate by terming the construction a “colonial settlement” that will isolate Jerusalem from Bethlehem and the rest of the West Bank.

He asked the body to call on Israel to refrain from taking such “illegal measures.”

He said “the aggression” of the new Israeli government and its “retreat from the achievements of the peace process” had “only served to dash” the hopes raised by the Israeli redeployment from Hebron.

David Peleg, Israel’s acting permanent representative to the United Nations, responded by repeating Israel’s position that the United Nations is not “the appropriate forum for discussing issues of contention between Israel and the Palestinians.”

He said he regretted that the Palestinians had “fallen into a dysfunctional behavior pattern” by seeking redress for their grievances with third parties.

He asked the international community to support the peace process. “But do not adopt one-sided positions that aim to prejudge and predetermine the outcome of our negotiations,” he said.

After his formal remarks, he said in an interview that such international debate encourages Palestinians to take “more extreme negotiating positions.”

For his part, the U.N. ambassador from Malaysia called the construction plan “a deliberate, provocative act intended to break the spirit of the Palestinian people and deprive them of a state of their own.”

It is “not an act of statesmanship, but brinkman-

ship,” said Hasmy Bin Agam, who praised the Palestinians for exercising “utmost restraint” in the face of such flagrant action.

The U.N. representative from Bangladesh, Anwarul Karim Chowdhury, said the construction was an attempt to “paralyze the peace process” and an indication that Israel intends to subject the Palestinians to “perpetual subjugation and occupation.”

For its part, the United States declined to participate in the debate. State Department spokesman Nicholas Burns said the U.S. position was already clear on the matter, evidently referring to the earlier Security Council veto.

The United States, while on record opposed to the Har Homa building, said last week that the two parties should resolve their disputes directly.

The U.N. debate angered American Jewish leaders. Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said the United Nations was a “platform for one-sided criticism of Israel.”

He said the Har Homa construction was only “an excuse to mobilize international pressure on Israel and force concessions.”

“There is a limit to what the Israeli political system can take, and I believe it is at its limit,” said Hoenlein, who recently returned from a conference mission to Israel.

He said he believed that Prime Minister Benjamin Netanyahu’s government “won’t survive an attempt to reverse” the decision to build at Har Homa.

Nor did it indicate it had any plans to do so.

### Israel committed to build in Jerusalem

Foreign Minister David Levy reaffirmed Wednesday that Israel would continue to build in Jerusalem.

He said the current government, as well as the previous one, had never made any commitments to the Palestinians not to build in the capital.

“It is Israel’s right to build in Jerusalem,” Levy said. “That decision will not be changed, even if there is threatened violence.”

The Palestinians have warned of an eruption of violence, if Israel goes ahead with plans to break ground for the new Jewish neighborhood, which will ultimately have some 6,500 housing units.

Israeli officials said bulldozers could begin infrastructure work on the first phase, for some 2,500 units, sometime next week.

Meanwhile, the United States confirmed that its consul general in Jerusalem, Edward Abington, would attend the gathering Arafat has called for Saturday in Gaza.

In Washington, Democratic lawmakers called on the administration to reverse its decision to participate.

In a letter to President Clinton sponsored by Rep. Nita Lowey (D-N.Y.), at least a dozen lawmakers said, “It would be a serious mistake for the U.S. to participate in such a one-sided meeting.”

Some Jewish groups also urged Clinton to reconsider.

Another official who was invited, but decided to decline, was Israeli opposition leader Shimon Peres.

Peres advised the prime minister not to get too ruffled by the conference and proposed that Israel call one of its own for the next day.

“So there will be an international conference on Saturday, and on Sunday, all the diplomats will gather for an international conference organized by Israel,” Peres said at a meeting of the Labor caucus. □

(JTA correspondent Naomi Segal in Jerusalem contributed to this report.)

**Arab Americans accuse Israel of 'apartheid,' 'ethnic cleansing'***By Daniel Kurtzman*

WASHINGTON (JTA) — Arab Americans have launched a nationwide campaign to protest Israeli plans to build new Jewish housing in eastern Jerusalem.

The campaign, led by the American-Arab Anti-Discrimination Committee and endorsed by major Arab American organizations, included teach-ins in about 100 cities around the country aimed at pressuring the U.S. government to intervene in "Israel's settlement-building policies."

In a joint statement issued Wednesday, Arab American groups called the building of Har Homa a "flagrant violation of international law" that is "making a mockery" of peace negotiations.

"Through this nationwide campaign," the statement said, "we hope to educate the American public about the devastating consequences of Israel's policies of apartheid and to send a message to our elected representatives calling for an immediate cut in U.S. aid to Israel."

In response to the campaign, the National Jewish Community Relations Advisory Council advised local communities and national agencies to monitor the gatherings and assure that there is a balanced and accurate representation of the issues.

At a news conference announcing this week's teach-ins, Arab Americans elevated their rhetoric to a level that riled Jewish leaders.

"These expansionist policies are part of an elaborate plan of ethnic cleansing in Jerusalem and have intensified since Netanyahu came to power," the groups said in a statement released at the news conference here Wednesday.

Martin Raffel, associate executive vice chairman of NJCRAC, called the language "scurrilous" and "deeply offensive."

"To falsely accuse Israel of ethnic cleansing is beyond the boundaries of acceptable discourse," he said.

"I would hope that Arab Americans in general would not accept the characterization in this document and would repudiate it."

Khalil Jahsan, president of the National Association of Arab Americans, which endorsed the statement, defended use of the term "ethnic cleansing," but said it was only used in a "narrow kind of context."

"It doesn't refer to any crimes against humanity, implying massacres," he said in an interview. "It simply is a political term which refers to Israel's policies and actual practice of emptying as many of Jerusalem's Arab inhabitants as possible."

Jahsan added, however, that "ethnic cleansing" was not a term his organization has used in the past or intended to use again in the future. □

**Uzbekistan leaders welcome Presidents Conference mission***By Lev Krichevsky*

TASHKENT, Uzbekistan (JTA) — The leader of Uzbekistan told a group of visiting American Jewish leaders that his country was committed to countering the threats of terrorism and Islamic fundamentalism from neighboring Afghanistan and Iran.

"We are against any kind of fundamentalism," Uzbekistan's president, Islam Karimov, told members of the Conference of Presidents of Major American Jewish Organizations during a meeting last week in the capital of Tashkent. "We will never let anyone mix the Muslim religion with the politics" of Uzbekistan, added Karimov.

The Uzbek leader stressed that his nation would use its influence in the region to prevent the export of terrorism, fundamentalism, arms and drugs to the West.

Karimov also told the Jewish leaders that he was committed to having stable relations with Israel and the United States.

Uzbekistan, one of the largest former Soviet states, proclaimed its independence in 1991. It since has made substantial progress in developing a market-oriented economy.

But the nation has attracted international attention for its lack of democratization, especially freedom of speech, persistent human rights abuses and authoritarian trends in the country's leadership.

At the same time, this Muslim country has avoided the open ethnic conflicts that have occurred in many former Soviet states, including most of Uzbekistan's neighbors in Central Asia.

Thirty percent of the population of 23 million are non-Uzbek.

Uzbekistan has 30,000 Jews, two-thirds of whom live in Tashkent, one of the largest cities of the former Soviet Union. Jews enjoy full freedom of religion and emigration, as do other minorities.

Uzbekistan has been known for its relatively low level of anti-Semitism. During World War II, the country offered refuge to 200,000 Jews from Central and Eastern Europe fleeing Nazi persecution.

Uzbekistan's role in World War II "requires that we express our appreciation to the safe haven given here to Jews then and since then," said Malcolm Hoenlein, executive vice chairman of the Presidents Conference.

The visit of the organization's 50-member delegation was widely publicized in Uzbekistan. The group of American Jewish leaders was received by the nation's top officials, including the foreign minister and the Speaker of the Oliy Majlis, the country's Parliament.

During these meetings, government officials voiced their sympathy with Israeli concerns, including the recent sales of Russian nuclear reactors to Iran, which is located in close proximity to Uzbekistan.

"We will continue to support the U.S. and Israel's international initiatives," Foreign Minister Abdulaziz Kamilov told the delegation. "However, we need support from these countries, which is vitally important because of the unstable region in which our state is located."

The Jewish leaders in turn praised the government's positions on major international issues, adding the hope that Uzbekistan will have a positive influence on other countries in this traditionally Islamic region.

The government of Uzbekistan offers a model of "democracy for all the Islamic countries" in the region, said Leon Levy, chairman of the Presidents Conference.

Uzbekistan's neighbors "are heading toward a more secular society. They see that their future is to be democratic."

Local Jewish officials in Tashkent said that although the state of human rights is far from perfect in Uzbekistan, the country is making slow progress toward a more democratic society.

"They still have a long way to go," said Hoenlein. "But we also have to look at the progress this country has made" since it achieved independence. □

**Dollar hits high against shekel***By Naomi Segal*

JERUSALEM (JTA) — The U.S. dollar hit an all-time high against the Israeli shekel, with the new representative rate closing last week at 3.37 shekels to the dollar. □