



## NEWS AT A GLANCE

■ **Police investigators recommended filing charges of fraud and breach of public trust against Prime Minister Benjamin Netanyahu in connection with the Bar-On Affair.** The state prosecutor is expected to decide by Monday whether to charge any senior government officials or to only issue a critical report. [Page 1]

■ **Israeli Foreign Minister David Levy met with Palestinian Authority leader Yasser Arafat in Malta.** Levy later told reporters that Arafat had announced that Palestinian officials would resume security cooperation with Israel, but an Arafat spokesman said that nothing of substance had been discussed during the meeting. [Page 3]

■ **A commission of inquiry into the Feb. 4 helicopter crash that killed 73 Israeli soldiers recommended the dismissal of two officers and the issuance of reprimands against two others for alleged negligence that led to the air tragedy.** The commission did not conclusively determine what caused the two helicopters to collide while they were in a holding pattern over northern Israel, awaiting permission to enter southern Lebanon.

■ **Israel's chief rabbis and the Ministry of Absorption have agreed to a resolution of the controversy over burials for some immigrants from the former Soviet Union.** The agreement allows those Israelis who are not recognized as Jewish by the Orthodox rabbinate to be buried in separate sections of existing Jewish cemeteries. [Page 3]

■ **The Swiss government appointed Rolf Bloch, the president of the Federation of Jewish Communities in Switzerland, to head the executive board overseeing the Holocaust Memorial Fund established earlier this year.** The fund, created to help needy Holocaust survivors and their heirs, has some \$200 million in assets.

■ **The Islamic spiritual leader of Istanbul met with Jewish leaders in Jerusalem as part of three-day visit to Israel.** Foreign Ministry officials noted that it marked the first time that a Turkish Muslim leader had visited the Jewish state.

## Police recommend indicting Netanyahu in Bar-On Affair

By Naomi Segal

JERUSALEM (JTA) — Israel is facing a political upheaval in the wake of a recommendation by police investigators that Prime Minister Benjamin Netanyahu be charged with fraud and breach of public trust in connection with the Bar-On Affair.

Public Security Minister Avigdor Kahalani confirmed Wednesday an Israel Television report that the police had made the recommendation in a 995-page document submitted a day earlier to State Prosecutor Edna Arbel.

Netanyahu's attorney, Ya'acov Weinroth, also confirmed the police action, but he maintained that the charge was "baseless."

Arbel was reviewing the police report and was expected to decide by the start of Passover Monday evening whether to charge Netanyahu or any other senior government officials, or only to issue a report critical of their behavior.

Even if Arbel decides not to seek prosecution, political observers are saying that the police recommendations may well have dealt a death blow to the Netanyahu government.

They say not seeking prosecution would mean that there is not enough evidence against Netanyahu to present in court. Nonetheless, the political reverberations from the police report would have a disastrous effect on the premier's ability to govern, they add.

Israeli media reported that Netanyahu's governing coalition could splinter as a result of the scandal. It remained unclear, however, what effect the affair would have on the peace process, which for the past month has been marked by almost daily violence and little contact between the Israeli government and the Palestinian Authority.

Netanyahu aides, meanwhile, cautioned that it was important to wait for a decision from Arbel and Attorney General Elyakim Rubinstein.

"The one to decide on submission of indictments is the prosecution and not the police," Netanyahu spokesman Shai Bazak told Israel Television.

"These leaks from the police at every point in the past few months, including tonight, if it is true, raise suspicions that perhaps someone in the investigating team wants to influence the state attorney and attorney general's decision.

"I have no doubt that the prime minister will emerge clean from this," Bazak added.

### Charges would portend a 'political earthquake'

Opposition members were quick to react to the police recommendation against Netanyahu. Labor Party leader Shimon Peres said the possibility that criminal charges would be filed against the premier portends a "political earthquake." These developments, he added, put on hold any discussion on forming a national unity government — a matter that recently has drawn much speculation because of the deadlock on the Palestinian peace track.

Peres added that if the attorney general decided to issue indictments, early elections should be called.

Meretz leader Yossi Sarid said the reports only confirmed his previous statements that the prime minister would be ethically required to step down, whether or not charges were ever filed.

Israeli police submitted their findings Tuesday after concluding a three-month investigation into possible influence-peddling in the January appointment of Jerusalem lawyer and Likud activist Roni Bar-On as attorney general.

Bar-On won Cabinet approval Jan. 10, but stepped down two days later amid growing charges in political and legal spheres that he lacked the experience to hold Israel's top legal post. Two weeks later, the Cabinet unanimously approved Rubinstein to serve as Israel's attorney general.

The police investigation was launched after an Israel Television report alleged that Bar-On was appointed as part of a deal to provide a plea bargain to Shas leader Aryeh Deri, who is on trial for corruption. In turn, Deri allegedly promised his party's support for the Hebron agreement, which was coming up for Cabinet approval at the time, the report said.

Netanyahu was on a long list of top Israeli officials who were

interviewed by the police in connection with the Bar-On Affair.

On Wednesday, Israel Television said that elements of Netanyahu's comments to police had led the investigators to recommend charges against him.

Arbel and Rubinstein remained in closed consultations on what action to take.

Israeli news reports earlier this week said police had recommended that charges also be filed against other top officials: Deri, for allegedly pushing for Bar-On's appointment; Justice Minister Tzachi Hanegbi, for misleading Cabinet members about Bar-On's qualifications for the job; and Avigdor Lieberman, the director-general of the Prime Minister's Office, for allegedly serving as a "pipeline" between Deri and Netanyahu. □

#### FOCUS ON ISSUES

### Thousands rally in Washington to restore immigrant benefits

By Daniel Kurtzman

WASHINGTON (JTA) — In a scene reminiscent of the Soviet Jewry rallies of the 1980s, thousands gathered on the steps of the U.S. Capitol this week in support of their Jewish brethren.

But this time, instead of imploring the Soviet Union to "Let my people go," immigrants from the former Soviet Union and activists came to register a desperate plea Monday with the U.S. government: "Don't abandon our elderly and sick."

Their message was directed at lawmakers who voted to strip immigrants who are not citizens of benefits as part of last year's welfare reform legislation.

The new law bars most legal immigrants from receiving food stamps, Medicaid and Supplemental Security Income unless they become citizens — which requires passing tests in English — or can prove they have worked here at least 10 years.

Tens of thousands of Jewish immigrants began to feel the impact of those cuts April 1, when their food stamps were cut off. They are now bracing to lose about \$500 in monthly SSI payment beginning Aug. 1.

Yosef Abramowitz, national president of the Union of Councils for Soviet Jews, described the legal immigrant provisions of the welfare law as a "devastating time bomb" and issued a stern warning to lawmakers who do not move to defuse it.

"The powerful American Jewish community, and other communities of faith and conscience, will play electoral hardball in November 1998 with those in Congress who are trying to throw our parents and our grandparents and our neighbors into the streets," Abramowitz told the protesters. His remarks, along with those of other speakers, were repeated in Russian.

Estimates of the crowd's size ranged between 1,500 and 5,000, though organizers with the Union of Councils and the American Association of Jews from the Former Soviet Union said they bused in 6,000 people for the rally.

The gathering launched a weeklong lobbying blitz aimed at convincing Congress to restore benefits to legal immigrants.

In addition to the Jewish protesters, hundreds of top federation officials from across the country met this week with members of Congress and top administration officials, including first lady Hillary Rodham Clinton to press for the changes.

"We won't rest until this issue is resolved," said Diana Aviv, director of CJF's Washington Action Office. "This is a top priority for all the federations."

Some of the Jewish immigrants who gathered for the rally under a cloudless spring sky on the west steps of

the Capitol had affixed yellow Stars of David to their coats. Others wore old Russian uniforms adorned with World War II medals.

The Jewish demonstrators included survivors of Nazi and Communist persecution, some of whom held signs reading "Help Holocaust and political camp survivors to survive" and "We pay taxes for our elderly and sick."

"I'm terrified about what's going to happen," Liza Pasternak, a 76-year-old Holocaust survivor living in New York, said via a translator. She has been unable to pass the oral portion of citizenship exam because of hearing loss sustained from being beaten on the head by Nazi soldiers.

"When I got a letter from the Social Security Administration that I was going to lose my welfare benefits unless I become a citizen, I immediately fainted," she said. "I don't know what to do. My son is in Israel, my daughter is unemployed. If I lose my benefits I'm going to be out on the street."

For Pasternak and thousands of others, the language barrier remains the primary obstacle to passing the citizenship test and regaining access to benefits.

Nadia Karalnik, a 21-year-old medical student from Milburn, N.J., who emigrated from Russia seven years ago, said she worries about what will happen to her grandfather, a diabetic who has suffered a stroke.

"How do you expect someone like that to learn English?" she asked, adding, "We're the most humane society in the world, but it doesn't show."

During the welfare debate last year, Republican leaders argued that in order to save money and end abuses in the system, the costs of providing welfare benefits to immigrants had to be reduced.

Congressional Democrats have proposed a number of bills to fix the provisions, and President Clinton has said he wants to restore aid to needy immigrants.

Republicans, for their part, have proposed \$2 billion in block grants to states with large numbers of legal immigrants.

#### Tough battle ahead

Addressing the demonstrators, Sen. Paul Wellstone (D-Minn.), a leading proponent for restoring immigrant benefits, vowed to "keep the pressure on" in what he characterized as a campaign to "regain the soul of the United States Congress."

"What we did in the last congress was shameful," said Wellstone, whose father fled pogroms against Russian Jews as a teen-ager. "We are a proud nation of immigrants, and we will win."

In an interview, Wellstone acknowledged that a tough battle was ahead. "People don't want to undo what they did last year," he said of his colleagues in both houses. "It's hard for people to say, 'Look, we made a mistake.'"

But he read encouraging news into the Senate's unanimous adoption of a non-binding resolution Monday declaring that "elderly and disabled legal immigrants who are unable to work should receive assistance essential to their well-being." Wellstone co-sponsored the measure along with Senate Majority Leader Trent Lott (R-Miss.).

Meanwhile, Sen. Edward Kennedy (D-Mass.) released a Congressional Research Service study this week that found recent immigrants — both legal permanent residents and naturalized citizens — paid an estimated \$55 billion in federal income taxes in 1995.

"Without immigration, the government would have had \$55 billion less to pay for key services or deficit reduction," Kennedy said in a written statement. During tax season "it is worth considering the contributions of legal immigrants to Uncle Sam." □

**No breakthrough reported after Levy-Arafat meeting***By Naomi Segal*

JERUSALEM (JTA) — The stalled Israeli-Palestinian peace process got a nudge forward this week with the arrival in the region of U.S. Middle East envoy Dennis Ross.

A meeting in Malta between Israeli Foreign Minister David Levy and Palestinian Authority leader Yasser Arafat also was aimed at boosting the moribund process.

The Levy-Arafat meeting was the first high-level contact between Israel and the Palestinians since the Palestinians broke off communications last month.

They did so after Israel began building the Jewish neighborhood of Har Homa in southeastern Jerusalem.

Levy told reporters after the meeting that Arafat had announced that Palestinian officials would resume security cooperation with Israel.

But Arafat spokesman Marwan Kanafani said that nothing of substance had been discussed during the meeting, although he acknowledged that it had been conducted in an atmosphere of goodwill.

The meeting took place against the backdrop of the Euro-Mediterranean conference in Malta.

The conference, aimed at boosting trade ties between European and Mediterranean countries, was a follow-up to the Barcelona conference of 1995.

European officials who helped arrange the meeting viewed it as a victory in their pursuit of a greater role in Middle East mediating.

The economic conference closed Wednesday night with a call for negotiations based on the principle of exchanging land for peace.

But the closing resolution did not contain a specific condemnation of Israel. Jerusalem had insisted on this before agreeing to participate in the conference.

Meanwhile, Ross arrived in the region for a new shuttle mission aimed at breaking the impasse in negotiations. He met Wednesday night with Prime Minister Benjamin Netanyahu in Jerusalem and with Arafat in Gaza.

The Prime Minister's Office said that Netanyahu and Ross had discussed ideas to renew the negotiations, including Netanyahu's call for accelerating final-status talks.

The Israeli leader also reiterated that for Israel, progress in the peace track depended on a halt to terror.

Ross later said he hoped to examine various initiatives during his visit.

"We are obviously trying to find a way to put the peace process back on track. We have to find a way to ensure that violence will not be part of it. And we also have to find a way to ensure that the hopes of each side are ensured," he told reporters.

On the eve of Ross's trip, Israel sealed off the West Bank, citing warnings of possible terrorist attacks. Israeli soldiers were told to hitchhike only in armed pairs to prevent their being targeted by Islamic militants. □

**Rabbis, government officials reach accord on burial issue***By Michele Chabin*

JERUSALEM (JTA) — Israel's chief rabbis and Ministry of Absorption have agreed on a way to resolve the controversy over burials for some immigrants from the former Soviet Union.

Many of the immigrants are not considered Jewish by the Orthodox rabbinate and burial societies.

The agreement, which went into effect Wednesday,

allows those Israelis whose Jewishness is in question to be buried in separate sections of existing Jewish cemeteries.

The special burial sections were established after months of talks between Absorption Minister Yuli Edelstein and representatives of the Orthodox Rabbinate.

Edelstein, a leader of the immigrant rights party Yisrael Ba'Aliyah, called the compromise "a great achievement" and stressed that it had been achieved through negotiation.

"The success of the negotiations has brought me to the conclusion that this is the way to find solutions, both logistically and in principle," Edelstein said in a statement. "I'm certain this is the way society can solve the problems related to personal status and religious-secular issues."

Yisrael Ba'Aliyah raised the burial issue last year after winning seven seats in the Knesset and joining the governing coalition.

"We were seeing many cases where the Rabbinate refused to bury people, keeping bodies in the freezer for two weeks, or burying them outside the cemetery walls," said an Absorption Ministry spokesman. "This was very hurtful."

After Yisrael Ba'Aliyah joined the government, "it told the Rabbinate: 'You should be in charge of burials, marriages and so on, but if you want to maintain your monopoly over these things, you have to find the solution,'" the spokesman said.

The special burial sections have been established in 16 cemeteries across Israel. In Jerusalem and other localities where no such sections could be created because of already overcrowded cemeteries, the Absorption Ministry will help pay to transport bodies to cemeteries in another city. □

**Argentine cathedral unveils memorial to Holocaust victims***By Sergio Kiernan*

BUENOS AIRES (JTA) — Argentina's Catholic Church this week honored the memory of the victims of the Holocaust and of anti-Semitic terror bombings in Buenos Aires.

In what church officials described as an unheard-of gesture, the Cardinal Primate of Argentina, Antonio Quarracino, unveiled a Holocaust memorial in one of the chapels of the National Cathedral.

Quarracino said during the ceremony that "discriminating against Jews is a sin against the Law of man and against the Law of God.

"Our Lord Jesus was born among the Jews, and the Apostles He chose were Jewish."

There is no precedent of a Holocaust memorial placed inside a cathedral, according to local church officials. The memorial consists of a panel of glass framed in solid silver. Behind the glass are preserved pages of Jewish books destroyed during the Holocaust.

To one side of the silver frame, there is a small plaque that says the memorial is dedicated to "our Jewish brothers killed during the Holocaust and of the martyrs of the bombings of the Israeli Embassy in Buenos Aires and of AMIA." The plaque is signed by Quarracino.

The March 17, 1992, car bombing of the Israeli Embassy in Buenos Aires killed 29 people and left more than 100 injured. The July 18, 1994, bombing of the Argentine Jewish Mutual Aid Association, also known as AMIA, left 86 dead and more than 300 wounded.

The Argentine government has been unable to find those responsible for either bombing.

Present at the ceremony were Holocaust survivors, Catholic bishops, government officials, Jewish community officials, and former Polish President Lech Walesa. □

**Supreme Court reviewing  
1985 church-state decision***By Daniel Kurtzman*

WASHINGTON (JTA) — The Supreme Court heard arguments in a closely watched case Tuesday that could have important implications for government's relationship with religion.

In a move supported by Orthodox Jewish groups, lawyers for the Clinton administration and New York City urged the court to reverse its 1985 decision banning public school teachers from providing remedial instruction at parochial schools.

Acting Solicitor General Walter Dellinger, the Clinton administration's top courtroom lawyer, said the ruling had led to millions of dollars in unnecessary spending and continues to "impose burdens that critically impair" federal efforts to help underachieving students from low-income families.

On the other side, Stanley Geller, representing some New York taxpayers, argued that the practice of allowing public school teachers in parochial schools violates the constitutional separation of church and state.

Renewed debate over the 12-year-old decision has split the Jewish community, with Jewish defense organizations and Orthodox groups filing friend-of-court briefs on opposite sides of the case.

The American Jewish Congress, speaking on behalf of several Jewish, religious and education groups, has urged the high court to uphold the basic principles of the 1985 ruling in *Aguilar vs. Felton*.

The decision could be modified to permit remedial classes, provided that safeguards are in place to guarantee that the principle of church-state separation is not violated, the brief argued. Orthodox groups, meanwhile, say Jewish schools have suffered under the ruling and have long urged reconsideration of the decision.

To comply with the court's decision and fulfill the federally mandated obligation to provide remedial instruction to parochial students, public schools have spent hundreds of millions of dollars to transport religious school students to public schools or to teach in mobile vans outside religious schools and at leased sites.

"This is a situation where the Supreme Court has an opportunity to reconsider a ruling that has left in its wake a whole lot of grief," said David Zwiebel, general counsel and director of government affairs for Agudath Israel of America, which signed onto a brief calling on the justices to overturn the 1985 decision.

During Tuesday's arguments in what is now known as *Agostini vs. Felton*, some of the justices focused on procedural questions surrounding the appropriateness of reopening a prior court decision.

Five justices have openly questioned the wisdom of the 1985 ruling. It remains unclear, however, whether the high court will rule only on the merits of the case, or issue a broader decision about the constitutionality of government subsidies for religious education.

"This is a case where the rationale matters more than the result," said Marc Stern, co-director of the legal department of AJCongress. The court is expected to render a decision by the end of its term in June. □

**Priebke goes on trial again  
for his role in Nazi massacre***By Ruth E. Gruber*

ROME (JTA) — Former Nazi SS Capt. Erich Priebke went on trial this week to face for a second time war crimes charges related to Italy's worst World War II atrocity.

The retrial opened Monday, when the military court ruled that another ex-Nazi, former SS Maj. Karl Hass, would be tried jointly with the 83-year-old Priebke on similar charges.

Both face charges in the March 1944 mass execution of 335 men and boys in the Ardeatine Caves south of Rome.

The Nazis ordered the massacre in reprisal for an Italian partisan attack that killed 33 German soldiers.

More than 70 Jews were among the massacre victims.

Dozens of relatives of victims or their representatives were in attendance when the trial opened in a high-security courtroom at Rebibbia Prison on the outskirts of Rome.

"All we want is justice," said one.

"This is the last opportunity for Italy to face up to that period of its past," said Shimon Samuels of the Simon Wiesenthal Center, who has followed the case closely from the start.

Priebke, who is being held under house arrest at a monastery near Rome, attended the session briefly, but he told the court that he probably would not attend further hearings.

"I am here today out of respect for the tribunal," he said.

"But I fear it will not be this way in the future because I am not well. I am available for whatever may be needed."

Hass, 84, did not attend the opening session.

His lawyer said he would not attend the trial because of health problems.

He is being held under house arrest at an old-age home near Rome.

**Protests by family members**

The first Priebke trial began last May, two years after the former Nazi was discovered living in the Argentine Andes town of Bariloche, where he had settled after fleeing a POW camp after World War II.

In November 1995, he was extradited to Italy after 18 months of legal wrangling.

Priebke, who has admitted taking part in the Ardeatine Caves massacre, was found guilty by a military court in August.

But the court ordered him freed due to extenuating circumstances and what it said was an expired statute of limitations.

That verdict triggered protests by family members of the victims, who barricaded the courthouse for eight hours until Priebke was rearrested, pending an extradition request from Germany.

In October, the verdict was annulled by an appeals court, which ruled that the judges had been openly biased in Priebke's favor, and a new trial was ordered.

Hass, who also has admitted taking part in the Ardeatine massacre, served as a witness at the original Priebke trial.

He tried to escape testimony by jumping from his hotel balcony, but he broke his hip and eventually testified from a hospital bed.

Last month, Italy's national pension office revealed that Hass, who has lived in Italy for decades, receives state pensions from both Italy and Germany.

The office confirmed at the time that Hass draws nearly \$120 a month from Italy and about \$530 a month from Germany.

Both men defend their role in the Ardeatine Caves massacre by saying that they were just following orders and that they would have been killed themselves had they disobeyed. □