



## NEWS AT A GLANCE

■ Two Israeli border police were wounded, one seriously, in an explosion from a homemade bomb during riots in Hebron. Dozens of Palestinian demonstrators were wounded when Israeli troops fired rubber bullets to disperse the protests. [Page 4]

■ The fund set up by the Swiss to recompense Holocaust survivors is expected to authorize next week \$60 million in initial payments. The fund's executive committee is slated to meet in Bern at that time. [Page 4]

■ The U.S. Justice Department began deportation proceedings against a man who was a platoon commander of a Nazi-sponsored Lithuanian unit in World War II. A federal judge in Philadelphia stripped Jonas Stelmokas of his citizenship in 1995. That decision was upheld last year.

■ Israeli Prime Minister Benjamin Netanyahu said he would meet with Foreign Minister David Levy on Wednesday to sort out their differences. Levy and Netanyahu have been at odds, most notably over the report that National Infrastructure Minister Ariel Sharon met with a high-ranking Palestinian official without his knowledge.

■ Eight members of Palestinian Authority Chairman Yasser Arafat's elite bodyguard unit pleaded innocent to charges of bludgeoning a man to death in the Gaza Strip. Meanwhile, several thousand Palestinian mourners chanted slogans against the Palestinian Authority and Arafat during a funeral in the Gaza Strip.

■ Russian President Boris Yeltsin rejected a bill that claims Russian ownership of art works taken from Nazi Germany at the end of World War II. The bill, which Yeltsin has now rejected three times, goes back to the Russian Parliament.

Because of the Independence Day holiday, the JTA DAILY NEWS BULLETIN will not be published Monday, July 7.

## FOCUS ON ISSUES

### Jewish Agency takes steps aimed at winning federations' confidence

By Cynthia Mann

JERUSALEM (JTA) — The Jewish Agency for Israel appears to have scored some important triumphs in its efforts to win the confidence of skeptical federations in North America.

But the jury is still out over whether these triumphs will be enough to reverse the trend of declining allocations.

The Jewish Agency's annual assembly here, which draws hundreds of delegates from around the world, took several critical steps. Among its actions, the agency:

- Expressed strong support for religious pluralism, including a doubling of funding for programs of the major religious streams;
- Adopted a sweeping structural reform plan, which includes changing the face of the World Zionist Organization;
- Emphasized the agency's work of facilitating immigration to Israel by starting the assembly with a visit to the former Soviet Union; and
- Focused on new "people-to-people" programs to enhance the Diaspora's connection to Israel.

All of these actions reflect the top priorities of federations.

Fireworks that might have occurred over Orthodox-sponsored conversion legislation pending in Israel's Knesset — which is anathema to the majority of the Diaspora delegates — were averted by the recent establishment of a government-appointed committee charged with finding a solution acceptable to all religious streams.

A plan considered at an earlier point to bus delegates to a weekend protest in Tel Aviv against the conversion law did not materialize, in part because of an inflammatory slogan used to advertise the rally, "Stop the Haredim," referring to the fervently Orthodox who back the legislation.

Agency sources said that before the slogan was adopted, the agency had donated money to the coalition against religious coercion that sponsored the demonstration.

At the rally, Rabbi Eric Yoffie, head of the Reform movement's Union of American Hebrew Congregations, gave a speech in Hebrew calling for religious tolerance, which drew an enthusiastic response from the Israeli crowd.

In any case, the Jewish Agency took a clear stand during the assembly as a champion of pluralism, driven in part by the determination of its leadership and that of the fund-raising establishment to show that it responds when Diaspora Jewish concerns are ignited.

### Assembly constrained by Orthodox

The assembly was constrained by Orthodox objections to the use of the word "pluralism" in its resolutions and to replace it with references to Jewish unity and religious freedom.

Nonetheless, the assembly voted to double — to a total of \$5 million — the funding for programs of the major religious streams for next year. The agency also spends millions in indirect funding to programs and projects affiliated with the religious streams.

In another resolution, the assembly condemned violence against Jews at prayer in Israel and called upon the Israeli authorities to prevent violence against Jews and non-Jews around the Western Wall.

This resolution came in the wake of a violent attack against Conservative Jews praying near the Wall last month during Shavuot. Agency Chairman Avraham Burg was one of the few Israeli officials to issue a condemnation.

Dr. Mandell Ganchrow, head of the Orthodox Union and a member of the Jewish Agency's Board of Governors, expressed chagrin at the agency's involvement in the battle over religious pluralism.

"I know we're outnumbered," he said, referring to Orthodox opposition. "The question is whether this organization is a consensus group, where everyone feels comfortable and tries to work to solve common problems, or do we simply say that the secular, Reform and Conservative have more votes and will beat the Orthodox over the head every time?"

In fact, the agency's pro-pluralism actions are likely to benefit the central fund-raising organizations and support the agency's efforts to position itself as an advocate on behalf of world Jewry.

"It is very important for us to feel there is a voice representing the concerns of Reform Jews," said Rabbi Harvey Fields, the religious leader of the Wilshire Boulevard Temple, the largest Reform synagogue in Los Angeles, a vice president of that city's federation and a member of the agency's Board of Governors.

"When it comes to the conversion bill, we've had the backing" of the "federation family and the Jewish Agency."

"The agency assembly really represents the only congress of the Jewish people where all streams meet, and that congress has got to be seen as the vehicle through which Jews will maintain Am Yisrael," he said. "Without it, our unity is lost."

In the face of the conversion bill, the Jewish Agency "has served as a lobby of the Jews," Burg said.

Meanwhile, delegates lauded the passage of a complicated restructuring plan that will have the agency assume most of the operations of its highly politicized organizational partner, the World Zionist Organization.

The plan aims for more efficiency and less politics.

Central to this reform is turning what has been a semi-autonomous Jewish and Zionist education authority into a department of the Jewish Agency that emphasizes pluralism. This decision reflects a desire by federations to have more control over the education authority's \$43 million annual budget and the content of the programs.

Tom Green, a past president of the federation of St. Louis and a member of the agency's Board of Governors, was one of the delegates who believed that the restructuring agreement was the assembly's most important achievement.

"It was a long time coming and I think it will streamline the agency," he said.

The reform initiatives are part of the agency's uphill battle to improve its efficiency and sharpen its direction as the needs of the Jewish world change.

U.S. federations in particular have been reassessing their relationships to the agency to see whether it can continue to meet the changing priorities of their donors.

### **Federations turn toward communal needs**

Increasingly, they are turning toward their own communal needs, which results in declining allocations overseas. At the same time, they want whatever connection they maintain to Israel to be more direct.

The agency has responded to this by creating Partnership 2000, a program that pairs federation communities with Israeli regions for common projects.

At stake is the \$220 million funneled to the agency by the federations and the United Jewish Appeal from the annual campaigns through what is known as an exclusivity agreement.

That agreement also provides for the roughly \$65 million annual budget of the American Jewish Joint Distribution Committee, which enjoys a better public image than the agency.

While funds to the agency are spent primarily in Israel, funds donated to the JDC go to humanitarian relief programs all over the world. A few communities, including San Francisco and Cleveland, recently made their verdicts clear by deciding to take substantial sums of money and bypass the agency to give directly to programs in Israel.

Federations are expected to decide by the end of September whether they want to continue their exclusive funding arrangement with the agency for another two years.

Even if the federations decide against exclusivity, many expect the agency would continue to be the primary recipient of their overseas allocations.

Dr. Conrad Giles, president of the Council of Jewish Federations, called bypassing the system "a quick fix."

"There's enough room for dialogue and enough flexibility within the system to permit diversity without dividing us."

The response to the pluralism issue is one example of that flexibility, he said.

When asked whether the agency had won their confidence, many federation officials here sounded upbeat, but cautious.

Louise Greilsheimer, president of UJA-Federation of Jewish Philanthropies of New York, said, "There are some things the Jewish Agency won't be able to do, but the mere process of having deliberations is important."

Ted Farber, executive vice president of UJA-Federation of Greater Washington, noted there are "differences of opinion" among federations.

"Unfortunately, some have concluded the agency is not capable of changing in a way to reflect community needs. We think it has taken very positive steps and we have confidence more change will occur," he said of his own federation.

Burg, the agency chairman, seems undaunted by the challenge, confident that the agency has made strides toward reform.

He said he believes that the agency has the infrastructure and expertise to make it the most attractive option in a competitive market and is about to wage a campaign to sell this message to federations.

The one thing federations agree on is what the agency terms its "sacred mission" of resettling immigrants in Israel. There is unanimity that the agency, the only one to perform this function, does it well.

The agency, which has a roughly \$400 million operating budget, spends about 65 percent on resettlement.

To showcase that success, the assembly began in the former Soviet Union, where delegates got a first-hand view of how and where the process begins. They visited summer camps for youth, Hebrew classes and job fairs, and met with parents of students who have made aliyah. In Jerusalem, some of the delegates visited these students.

The whole experience stirred strong reactions.

"We got swept away," said Dr. Herzl Spiro of Milwaukee, a member of the United Israel Appeal.

"I have worked on absorption for 14 years, but in Moscow I understood Achdut Yisrael for the first time," he said, referring to the unity of the Jewish people.

"We need a way to communicate with people back home what happened to us in Russia. We have to enable younger people to go and see for themselves." □

### **Families of Israeli MIAs hold vigil**

*By Naomi Segal*

JERUSALEM (JTA) — Families of three missing Israeli soldiers held a vigil opposite the Knesset this week in an effort to raise awareness to their plight.

Staff Sgt. Zvi Feldman, Sgt. Yehuda Katz and Sgt. Zachary Baumel were captured in June 1982, during a Syrian-Israeli tank battle in Lebanon's Bekaa Valley. A string of Israeli political and military leaders, including the prime minister and defense minister, visited the vigil, pledging to do what they can to find the missing soldiers.

"I can tell you that we are working and doing everything possible to bring them home," said Prime Minister Benjamin Netanyahu. "I can't say when this will happen, but we are doing everything we can." □

## **U.S. Justice Department probes Arafat's alleged link to N.Y. bomb**

By Matthew Dorf

WASHINGTON (JTA) — A Justice Department investigation into Israeli charges that Palestinian leader Yasser Arafat knew in advance of the 1993 World Trade Center bombing has cleared the path for confirmation of a U.S. deputy attorney general.

But the road to continued U.S. aid to the Palestinian Authority remains littered with congressional obstacles.

The legislation that allows U.S. aid to the Palestinian Authority expires later this month.

Responding to Sen. Arlen Specter's (R-Pa.) threat to hold up a U.S. deputy attorney general's nomination, FBI investigators traveled to Israel last week to interview Israeli Deputy Education Minister Moshe Peled. In March, Peled claimed that Israel has evidence linking Arafat to a Sudanese meeting where the bomb plot was discussed.

Specter put a hold on Clinton's pick for deputy attorney general until the Justice Department investigated Peled's claims.

With the investigation underway, Specter said he would allow the nomination of Eric Holder to proceed.

For its part, the Justice Department remains "skeptical" of the charges, but will continue to "look into the allegations," an official with the department said.

Peled claims that Israeli intelligence has information that Arafat attended a meeting in Khartoum four days before the Feb. 23, 1993, bombing that killed six people and injured scores of others. Israeli intelligence reported that the bombing was likely discussed at the meeting.

Specter and other leading members of Congress have said they will fight to stop U.S. aid to the Palestinians if Peled's charges are true.

Regardless of the outcome of the investigation, some members of Congress are intent on stopping U.S. aid to the Palestinians.

Congress has approved about \$100 million a year for the Palestinians since the Israeli-Palestinian peace accords were signed in 1993.

### **Threats to halt aid**

Congressional concerns over Palestinian compliance with its accords with Israel have led to efforts to halt aid.

The latest threat came from Sen. Jesse Helms (R-N.C.) and Rep. Benjamin Gilman (R-N.Y.), who have used their power as chairmen of their respective foreign relations committees to stop the State Department from delivering any new aid to the Palestinians in the wake of new Palestinian laws banning the sale of land to Jews.

Last week, Reps. Robert Andrews (D-N.J.) and Jim Saxton (R-N.J.) joined the fray and sent copies of a videotape of excerpts of some of Arafat's speeches to all of their House colleagues.

The tapes were made and distributed from funds raised by Morton Klein, president of the Zionist Organization of America, and Yigal Carmon, an Israeli counterterrorism expert, according to Klein.

The lawmakers, both opposed to continued U.S. aid to the Palestinians, asked their colleagues to decide for themselves if Arafat is complying with the accords.

According to congressional sources, the tapes show Arafat calling for a jihad to free Jerusalem and supporting a dead Hamas leader known as "the engineer" for his ability to build suicide bombs.

Israel's ambassador to the United States, Eliahu Ben-Elissar, said recently that the embassy supports continued assistance to the Palestinians.

And the Clinton administration has indicated it would push for Palestinian aid.

But the question remains what additional restrictions will be placed on Arafat's government.

With the coming August recess, many observers expect Congress to grant a temporary extension to the legislation granting aid known as MEPFA, the Middle East Peace Facilitation Act. Some members of Congress, however, would like to see the legislation lapse for a short period to send a message to the Palestinians.

Opponents of the aid will have a new poll to support their cause. The poll, released by the Middle East Quarterly, shows the American public overwhelmingly opposed to U.S. aid to the Palestinians.

In a poll of 1,000 telephone respondents, 85.5 percent said they believe that the United States should not "continue to give \$100 million a year in American taxpayer's money to Yasser Arafat and the Palestinian Authority."

The poll was conducted last week by McLaughlin & Associates and has a margin of error of plus or minus 3 percent.

The accuracy of the poll has been called into question by some polling experts because respondents were asked a negative question about the Palestinian Authority immediately before the question on U.S. aid. They also questioned the phrasing of the question on aid.

"Several Palestinian Arabs who live in the territories controlled by Yasser Arafat and the Palestinian Authority are suspected in the murders of American citizens. The Palestinian Authority has still not prosecuted the suspects for those murders," the question states.

When asked if it is important for the American government to demand the transfer of those suspects, 67.4 percent said yes, compared with 15.5 percent who said no.

"The questions were obviously phrased to elicit the most negative response possible," said Tom Smerling, Washington director of the Israel Policy Forum.

Calling the phrase "American taxpayer's money" both "redundant and gratuitous," Smerling said, "The only purpose of that phrase is to evoke a negative response."

Daniel Pipes, editor of the Middle East Quarterly, defended the poll's accuracy. Using "taxpayer" in the poll "was suggested by the pollsters because often people think of money from Washington as coming from someplace else."

The goal, Pipes said, was to not so subtly "remind people that this is their money." □

## **Police probe threats against singer**

By Naomi Segal

JERUSALEM (JTA) — Israeli police plan to question an extreme right-wing activist on suspicion of threatening Irish pop star Sinead O'Connor.

O'Connor canceled her appearance at a concert last week in Jerusalem after death threats. The concert was sponsored by Israeli and Palestinian women's groups.

No one claimed responsibility for the threats.

However, Itamar Ben-Gvir said in an Israel Radio interview that he "understood" those who sent the threats.

While not claiming to have issued the threats, Ben-Gvir said that he and his supporters had succeeded in getting the concert called off. He referred to O'Connor as a "singer who preaches and calls for the division of Jerusalem and who spreads gentile culture."

Ben-Gvir is affiliated with an offshoot of the outlawed Kach movement, which is militantly anti-Arab. After the interview, O'Connor sent a letter to Ben-Gvir.

"God does not reward those who bring terror to the children of the world," she wrote. "So you have succeeded in nothing but your soul's failure." □

**Swiss fund to aid survivors set to authorize first payments***By Fredy Rom*

BERN (JTA) — A Swiss fund established earlier this year to benefit needy Holocaust survivors is set to begin authorizing payments next week.

The seven-member executive committee of the Holocaust Memorial Fund will meet Monday here to determine the allocations, Rolf Bloch, the chairman of the committee, announced Tuesday.

The committee is expected to authorize an initial allocation of \$60 million that will go to 60,000 survivors living in formerly Communist countries of Eastern and Central Europe, according to a well-placed Jewish source.

The first payments would be made by the end of the summer, with each recipient getting a check for \$1,000.

Disbursements to survivors living in Israel and elsewhere will be addressed in the future.

"There is a great deal of determination on our part to begin the allocations immediately," the source said.

"We are far along in being able to identify recipients," the source added, referring to comprehensive lists that have been assembled by the Jewish Agency for Israel and the American Jewish Joint Distribution Committee on behalf of the World Jewish Restitution Organization.

The WJRO, which was created in 1992 by the World Jewish Congress, the Jewish Agency and other leading Jewish groups, has spearheaded efforts to determine the whereabouts of assets deposited by Holocaust victims in Swiss banks during the war years and to investigate Switzerland's wartime dealings with the Nazis.

The Holocaust Memorial Fund was created to make payments to needy Holocaust survivors as soon as possible while questions regarding the missing assets are worked out — a process that could take years.

The fund was set up with contributions from Switzerland's largest banks and industrial firms. It is currently valued at \$116 million.

The Swiss National Bank has pledged to give an additional \$70 million, but that contribution requires approval by the Swiss Parliament. The legislature is expected to take action in September. □

**Violence erupts in West Bank; as security cooperation resumes***By Naomi Segal*

JERUSALEM (JTA) — Violence erupted in Hebron this week as Palestinians vented their anger at anti-Islamic leaflets distributed in the volatile West Bank town.

The renewed clashes came as Israel and the Palestinian Authority resumed security cooperation Tuesday, which was suspended by the Palestinians in March along with peace talks.

"There has been a resumption of cooperation with the Palestinian police," said Defense Minister Yitzhak Mordechai. He stressed, however, that Israel did not think Palestinian security forces were doing enough to calm tensions in the territories, especially in Hebron.

During Tuesday's clashes in Hebron, rioters threw a bomb at Israeli border police, wounding two soldiers.

Palestinian sources said more than 20 demonstrators sustained injuries from rubber bullets fired by Israeli troops to disperse the protesters. The clashes erupted when youths broke away from a protest against leaflets that were posted in Hebron over the weekend depicting the Muslim prophet Mohammed as a pig stepping on the Koran.

Earlier this week, police detained a 25-year-old Jerusalem resident, Tatyana Suskin, on suspicion of pasting the posters on storefronts in Hebron and planning to

distribute more. Suskin was arrested with dozens of the posters in her possession.

After spotting the posters in Hebron, dozens of Palestinians rioted over the weekend, ending a week of relative calm in the tense city.

Israeli leaders condemned the distribution of the leaflets. Prime Minister Benjamin Netanyahu telephoned the West Bank city's Palestinian mayor Sunday.

"I felt it necessary to call the mayor of Hebron to express not only my personal revulsion but the revulsion of the entire people of Israel," Netanyahu said Sunday in an address to the Jewish Agency for Israel Assembly in Jerusalem.

"This runs counter to our outlook as Jews and our respect and appreciation for the Islamic religion and for its founder the prophet Mohammed."

Israel handed over 80 percent of Hebron to Palestinian rule earlier this year, but maintains control over the Jewish enclave, where some 450 settlers live.

The Authority broke off security cooperation after the construction of a new Jewish neighborhood in southeastern Jerusalem.

The Palestinians had demanded that construction cease before resuming the cooperation.

Earlier, the Israel Defense Force removed a memorial stone erected by Jewish settlers in Gush Katif, in the Gaza Strip, for a soldier killed by Palestinian fire during clashes in September.

The Palestinians had protested the location of the memorial, which they said was on land under self-rule civilian administration.

An unveiling ceremony by Jewish settlers topped off long-simmering tensions over the Gush Katif settlement Morag, and led to violent demonstrations last month.

The Palestinians took down protest tents they had set up opposite Morag earlier this week. The IDF moved the stone slab, in memory of Yehuda Levy, to an adjacent military base until a permanent site is found.

Jewish settlers held a protest at the junction Tuesday night over the memorial being moved. □

**Israel and France discuss ideas for troop pullout from Lebanon***By Naomi Segal*

JERUSALEM (JTA) — Israeli Defense Minister Yitzhak Mordechai has discussed ideas for a gradual Israeli pullout from southern Lebanon with his French counterpart.

Mordechai raised the issue in a meeting last week during the International Air Show in France.

"I am continuing my efforts to explore all ways to reach an agreement in Lebanon," Mordechai said Tuesday.

Earlier in the week, Israeli media reported that Mordechai had proposed the stationing of a French-led multinational force to gradually replace the Israeli presence in southern Lebanon.

However, in his address before the committee, he spoke in more general terms about an understanding with the Lebanese army and government that would have French or American backing.

Under such an arrangement, "the Lebanese army and the Lebanese government will grapple with terrorism and will deploy in South Lebanon."

France was a key player in helping to end the cross-border fighting last year between Israel and the Islamic fundamentalist Hezbollah group.

In a separate development, the Israeli army reported Tuesday that Israeli paratroopers operating in the eastern sector of the southern Lebanon security zone killed a Hezbollah fighter in a fire fight.

No Israeli troops were injured. □