



NEWS AT A GLANCE

■ Jewish officials presented the Swiss ambassador to the United States with a list of 12,000 Eastern European Jews eligible to receive payments from Switzerland's Holocaust Memorial Fund. The list will serve as the basis for the first distribution of payments to Holocaust survivors. The officials said they would present the Swiss with another 28,000 names within the next week.

■ Dr. Irving Moskowitz petitioned Israel's High Court of Justice to prevent the government from evicting the tenants of his property in eastern Jerusalem. Moskowitz earlier rejected a compromise agreement that would have temporarily removed the three families. Their move to the Arab neighborhood of Ras al-Amud this week sparked condemnation by Israeli Prime Minister Benjamin Netanyahu and Palestinian riots. [Page 2]

■ A House International Relations subcommittee is scheduled to vote on religious persecution legislation on Thursday. The legislation would require economic sanctions against any country engaged in religious persecution and would give those fleeing religious persecution priority in gaining asylum in the United States. [Page 1]

■ Israel allowed 5,000 more Palestinian workers into Israel in a further easing of the closure imposed following a triple suicide bombing earlier this month. Some 8,000 Palestinians had already been allowed to return to their jobs.

■ The Israeli High Court of Justice authorized the General Security Service to use special methods in the interrogation of a suspected Hamas member believed to have information on planned terrorist attacks. The suspect was arrested three weeks ago on suspicion of belonging to the militant arm of Hamas. The court ordered the attorney general to ensure that interrogation methods did not exceed "moderate physical pressure."

■ Israelis, including representatives of the Jewish Agency for Israel, helped reopen a Reform nursery school near Jerusalem that was nearly destroyed by a firebomb. [Page 4]

BEHIND THE HEADLINES

Religious persecution measure poses dilemma for Jewish groups

By Daniel Kurtzman

WASHINGTON (JTA) — Republican leaders in Congress are pushing ahead in their campaign to fight religious persecution abroad.

But it remains to be seen whether legislation now pending, which was inspired by the movement to free Soviet Jewry, will have substantial Jewish support.

Some religious groups and lawmakers have been actively seeking that support, saying Jews should be behind the effort given the historical alliances when it came to efforts to rescue persecuted Jews in the Soviet Union and elsewhere.

But many Jewish groups, echoing the Clinton administration, fear that the legislation would be ineffective and create more problems than it solves.

Meeting with religious leaders last week, House Speaker Newt Gingrich (R-Ga.) and Senate Majority Leader Trent Lott (R-Miss.) declared religious freedom a core U.S. value and vowed to make the fight against religious persecution a top legislative priority.

While stopping short of endorsing any specific legislation, their comments nonetheless gave a boost to supporters of the Freedom From Religious Persecution Act, which is beginning to move swiftly through the House and Senate.

The bill, sponsored by Rep. Frank Wolf (R-Va.) in the House and Sen. Arlen Specter (R-Pa.) in the Senate, would require economic sanctions against any country engaged in religious persecution. It would also give those fleeing religious persecution priority in gaining asylum in the United States.

It would also create a new office within the White House to monitor the treatment of religious minorities around the world.

The legislation would initially require the director of the office to examine the treatment of Christians, Tibetan Buddhists and Bahais before moving on to other faiths.

The bill's sponsors say most of the abuses are occurring in militant Islamic countries and the few remaining Communist nations. They have cited Sudan, China, Iran, Egypt, Pakistan, Vietnam and Algeria as some of the worst offenders of religious freedom.

The fight against religious persecution has emerged as a leading political cause in recent months, largely as a result of a grass-roots campaign organized by a coalition of religious groups led by evangelical Christians.

The coalition has sought to model the campaign after the Jewish community's successful efforts to free Soviet Jews in the 1970s and 1980s.

Proponents, in fact, hope that the Wolf-Specter legislation can provide a shot in the arm for their cause similar to what the 1974 Jackson-Vanik Amendment did for the Soviet Jewry movement.

That legislation linked U.S. trade policy to a country's emigration practices.

Idea of White House czar troubles Jews

Church leaders have sought input and support from their Jewish counterparts, but most Jewish organizations — along with a number of mainstream Christian groups such as the National Council of Churches — maintain serious reservations about the legislation.

While fully supporting the concept of combating religious persecution, most Jewish lobbyists are worried that focusing solely on religious persecution could send a message that other forms of persecution — political or ethnic persecution, for example — matter less and detract from broader efforts to address human rights abuses in general.

Specifically, Jewish activists remain troubled by the notion of creating a White House czar with a focus on religious persecution. They are also concerned about the sanctions mandated by the bill and about how it might impact U.S. refugee policy.

The Clinton administration flatly opposes the bill.

Testifying before the House International Relations Committee last week, John Shattuck, assistant secretary of state for human rights, said that although the administration "strongly supports the objectives of eliminating

religious persecution," the Wolf-Specter legislation threatens to do more harm than good in addressing religious freedom issues.

"We fear reprisals by repressive governments against victims, as well as an end to any dialogue on religious freedom, in retaliation for the sanctions," Shattuck said, adding that it might hurt "vital bilateral relations with key allies and regional powers."

Jewish activists, for their part, have worked hard in recent weeks to make the legislation more palatable.

The bill's implications for U.S. refugee policy have been a key concern because the bill does not specify how the number of refugee slots — which are fixed each year — would be affected or how to fund slots to accommodate additional refugees.

Jewish groups have been concerned that by creating a new class of refugees, the legislation could force Jews and others out of a limited number of slots.

Jewish organizational officials, led by the Council of Jewish Federations, took up their concerns with the bill's sponsors and were given assurances that changes would be made to ensure that existing refugee policy would not be affected. The officials have not, however, endorsed the bill.

There is no guarantee, moreover, that such changes will actually be implemented.

A House International Relations subcommittee was scheduled to vote on the Wolf-Specter legislation Thursday.

No action has yet been scheduled in the Senate.

Most Jewish groups are reserving final judgment on the legislation until the final wording becomes clear.

"The Jewish community really wants to stand with those who fight against religious persecution, and they want to stand with Christian groups who have stood by our side in the past," said Rabbi David Saperstein, director of the Religious Action Center of Reform Judaism.

"But they don't want to do something that will be counterproductive to its very goals."

Rabbi Yechiel Eckstein, president of the Chicago-based International Fellowship of Christians and Jews, which has helped bring the issue to the fore, said he sees the Specter-Wolf legislation as imperfect, but a "good starting point."

"Right now, it's the only game in town and there is no consensus," said Eckstein, who builds bridges with Christian groups, including evangelical Christians.

"We're still hopeful that legislation that does have a consensus and does bring greater attention to the issue will be created."

One Jewish group that has actively endorsed the bill is the Republican-aligned National Jewish Coalition.

"The Jewish people have suffered through the world's most heinous acts of persecution and we cannot allow the tragedies we have endured to be perpetrated upon others," said Cheryl Halpern, national chairwoman of the NJC. "We must speak out." □

Israeli government unable to reach accord with Moskowitz

By Naomi Segal

JERUSALEM(JTA) — The Israeli government has failed to secure the removal of three Jewish families who moved into an Arab neighborhood of eastern Jerusalem this week.

Public Security Minister Avigdor Kahalani, the government official appointed to deal with the matter, held two hours of talks Wednesday with Dr. Irving Moskowitz, the Miami-based developer who owns the structure in Ras al-Amud that the families moved into Sunday night.

According to Moskowitz, the two sides agreed only to hold further talks.

Moskowitz, who earlier in the day was greeted with the blowing of a shofar when he visited the site, said he did not believe the Jewish residents in the Arab neighborhood created any undue friction.

"We expect that the Arab neighbors of ours will respect us, and we will respect them likewise. We intend and know we will live with good neighbors and have good relationships with them."

Shortly after Moskowitz's visit, several hundred Palestinians began demonstrating near the site, throwing stones and waving Palestinian flags.

Israeli police prevented the protesters from approaching the building that housed the three families.

The Palestinians were joined by Israeli left-wing activists, who set up a protest tent near the site.

In a sign of the crisis atmosphere surrounding the issue, Prime Minister Benjamin Netanyahu canceled his scheduled trips to Hungary and Romania.

His office said that Netanyahu may still leave Sunday for a two-day visit to Austria.

The families moved into a two-story structure in the Arab neighborhood, which is adjacent to the Mount of Olives, hours after a district planning board upheld a July decision by the Jerusalem municipality to grant Moskowitz permits to build 70 housing units for Jews.

The action took place only days after U.S. Secretary of State Madeleine Albright, on her first visit to the region since assuming the post, called on Israel to take a "timeout" from taking "provocative" steps, particularly Israeli construction plans on disputed land.

In July, Netanyahu criticized the Jerusalem municipality for granting Moskowitz the building permits.

Netanyahu was even more explicit in his criticism of the move by the families this week, saying it was "not good for Jerusalem" and "not good for Israel."

Renewal of intifada possible?

Netanyahu, a staunch defender of Israel's right to build in Jerusalem, said all actions and building in the city should be part of a government plan.

Moskowitz rejected one compromise Wednesday that would have had the three families move out voluntarily, but would have left several yeshiva students to maintain a Jewish presence there.

According to the compromise, Netanyahu would have allowed the families to return in several months.

Moskowitz and some of the Jewish residents petitioned the High Court of Justice on Wednesday to prevent the government from evicting the tenants.

The petition argued that the government had failed to provide evidence that the Jewish families' presence in Ras al-Amud endangered public safety or national security.

The families said Wednesday that they rejected any compromise on the grounds that Moskowitz had legally purchased the building. They added that they had every right, as paying tenants, to live there.

"Proposals were made, but there is no compromise," Hagit Harel, a spokeswoman for the families, told Israel Radio.

The Palestinians, who termed the move by the families a "provocation," warned Israel that the issue must be resolved quickly.

Palestinian Authority Chairman Yasser Arafat told reporters that unless the families leave, "there will be a very negative response."

Israeli Police Commissioner Assaf Hefetz also warned that the Jewish presence in the neighborhood of 11,000 Arabs could "trigger riots and a renewal of the Palestinian intifada." □

New head of U.S. Mideast team could be in place by next week

By Matthew Dorf

WASHINGTON (JTA) — Martin Indyk stands on the verge of leading the U.S. State Department Middle East team as it struggles to revive the peace process.

With no serious opposition in the Senate, Indyk could assume the post of assistant secretary of state for Near Eastern affairs as early as next week.

The Senate Foreign Relations Committee was scheduled to hold hearings for President Clinton's nominee on Thursday. If confirmed, Indyk would realize his dream of serving in the U.S. government's highest post dedicated to the Middle East.

The move would also secure a new series of diplomatic firsts for Indyk, who is currently the U.S. ambassador to Israel.

Indyk became the first Jew to serve as ambassador to Israel when he assumed the post in February 1995. He would also be the first Jew to serve in the assistant secretary post, which has customarily been held by diplomats with experience in Arab countries.

Indyk would become the superior of Dennis Ross, who serves as the U.S. Middle East coordinator and as a counselor to Secretary of State Madeleine Albright.

While some opponents of U.S. policy have labeled Indyk a "Jewish Arabist," criticizing what they consider to be his propensity to oppose Israeli policies, Indyk is certainly no Arabist in the traditional sense.

Indyk, who was studying in Israel when the Yom Kippur War broke out in 1973, volunteered as a trash collector in Jerusalem after all classes were canceled. The Australian-born Indyk, who is in his mid-40s, worked in the mid-1980s as a consultant for the American Israel Public Affairs Committee, the pro-Israel lobby in Washington.

After leaving AIPAC, Indyk, was instrumental in founding the Washington Institute for Near East Policy, where he worked as the think tank's founding executive director.

Still plagued by controversies

He received his U.S. citizenship only weeks before Clinton named him director of Near East and South Asian affairs at the National Security Council.

Overall, Indyk has received praise for his work in Tel Aviv as U.S. ambassador, but some controversies still plague him:

- Israel's Likud Party credited him with crafting Clinton's strategy of openly backing Shimon Peres in last year's Israeli election;
- Former Prime Minister Yitzhak Rabin fumed when Indyk stayed away from the Jerusalem 3000 celebration, calling it a "cultural event";
- Indyk crafted Clinton's policy to oppose moving the U.S. Embassy in Israel to Jerusalem;
- AIPAC accused Indyk of displaying "faulty moral equivalence" between Palestinian terrorism and Israeli policy;
- Some Republican elected officials criticized his handling of their visits to Israel.

During the hearing, senators were expected to question Indyk on his experience as well as on the administration's Jerusalem policy. A 1994 law requires the State Department to make preparations to move the embassy by 1999.

Reports from the secretary of state to Congress say, however, that no plans are necessary because the embassy could be moved on short notice by renting office space in Jerusalem.

Many members of Congress have said this approach violates the spirit of the law, which passed with overwhelming support.

Clinton, who agreed with Indyk's assessment that an embassy move at this time would "explode the peace process," has vowed to use waivers in the law to prevent a move of the embassy until after the Palestinians and Israelis negotiate the final status of Jerusalem.

The Zionist Organization of America has opposed Indyk's nomination in press releases and some letters to members of Congress, but launched "no serious effort to oppose Indyk," said Morton Klein, president of the ZOA.

The Jewish War Veterans also oppose Indyk's nomination.

The sharpest criticism of Indyk's nomination came from The New Republic in an editorial in its combined Aug. 11 and Aug. 18 issue.

Headlined the "Know-Nothing Nominee," the magazine questioned Indyk's experience in the Middle East outside of the Arab-Israeli conflict.

"Indyk knows no Arabic and has never been posted in an Arab or Muslim capital — he has not written a significant word on his subjects," the editorial said.

Indyk is a nominee "who knows Israel poorly and clumsily, and the region almost not at all," the editorial said. But many Jewish officials who have spent time with Indyk support his nomination.

"Martin, a staunch supporter of a strong U.S.-Israel relationship, is regarded as an exceptionally capable official and is well respected for his expertise in the Mideast, particularly important during this pivotal period," said an AIPAC official, who asked not to be identified. □

Sell-off of Bank Hapoalim marks Israel's biggest privatization act

By Naomi Segal

JERUSALEM (JTA) — In the largest privatization sell-off in Israeli history, an investors' group led by an Israeli-American businessman has acquired a 43 percent stake in Bank Hapoalim, the country's biggest bank.

The group, led by businessman Ted Arison, the former head of Carnival Cruise Lines, agreed to pay the government close to \$1.4 billion for the share.

The bid put Hapoalim's worth at about \$3.2 billion, 18 percent higher than its market value.

The group also took an 18-month option to buy an additional 21.5 percent stake in the company for the same price. The group announced last week that it would exercise the option.

The move would give the Arison group a controlling share in the bank — 64.5 percent — while the government would continue to hold 5 percent.

Employees will maintain 7 percent, with the remaining shares to be traded on the Tel Aviv Stock Exchange.

Bank Hapoalim has \$2.5 billion in equity and nearly \$50 billion in assets. It was nationalized, along with most of the rest of the country's banks, following the 1983 capital market crisis.

The government still owns the second and third largest banks, Bank Leumi and Israel Discount Bank. Stock in those banks was sold on the market earlier this year.

The Arison group includes the Israeli Dankner family and American businessmen Len Abramson, founder of US Healthcare Inc., Wall Street veteran-turned philanthropist Michael Steinhardt, Charles Shusterman and Hyperion Capital Management. Arison said he hoped the group he had put together would make "an important contribution" to Israel's transition from a centralized market to an open economy. □

Rebuilding after firebomb, school in Israel reopens doors

By Michele Chabin

MEVASSERET ZION, Israel (JTA) — Just weeks after a firebomb nearly destroyed a Reform movement nursery school, Israelis have banded together to help reopen the school.

But for one of the nursery's teachers, the shock she experienced upon first discovering the charred school still persists.

Aliza Landau, a child Holocaust survivor, thought she had seen her last hate crime when she immigrated to Israel many decades ago. But on Sept. 1, Landau realized that she was wrong.

The school, affiliated with the Reform congregation Kehillat Mevasseret and located in a rented apartment in this town a few miles from Jerusalem, was almost completely destroyed by the firebombing that took place the night before. The private nursery, which serves children between the ages of 3 and 5, had been scheduled to open its doors at the beginning of this month.

Its walls and floors burned and blackened, most of its furniture and toys beyond repair, the school remained closed — the 48 preschoolers displaced by the fire have been meeting in temporary quarters provided by the municipality.

Standing in the doorway of the freshly painted school, which was set to reopen this week, Landau recalled the moment she saw the damage.

"When I opened the door, everything, everything was black. Things were still smoking, and the stench was unbelievable. I was in total shock," she said.

Landau's shock turned to anger when a fire inspector ruled that the blaze had been set deliberately.

Although the police have refused to comment pending the completion of their investigation, congregation members, and many others in the town, strongly suspect that the blaze was started by religious extremists who want Reform Jews to leave.

Second tragedy to hit the school

While no one is willing to attribute the crime to any one group, Hannah Sorek, president of Kehillat Mevasseret, said the congregation "has been meeting with a great deal of resistance from members of the [fervently Orthodox] Shas Party, which opposes our being in the community.

"The Shas council members opposed the council's decision to give the nursery a temporary home," she added, referring to a move by the local council after the firebombing to help the nursery continue its operations.

Landau said the fire was all the more upsetting because it was the second tragedy to hit the school in just over a year.

On July 26, 1996, Rachel Monk, one of the school's teachers, was killed in a drive-by shooting near Beit Shemesh. Her husband of less than two months, Ze'ev, and her father-in-law, Uri, were also killed in the attack.

After the latest incident, Landau said, "some of the children in the school are still traumatized.

"They're asking why people don't like our kindergarten. They're afraid," Landau said. "We've tried to explain that the people who started the fire wanted to burn the walls, not the children."

Although clearly shocked by the firebombing, members of the 120-family Reform community say that some good has resulted from the incident.

Sorek said that there was almost a "unanimous decision" by the local council to find a temporary home.

Neighbors, too, have been supportive, Sorek said, noting that many residents — as well as other Israelis — sent toys and words of sorrow.

Perhaps most important of all, several strangers have volunteered their time to get the school running again. In addition to contributing \$5,000 toward the purchase of furniture and supplies, the Jewish Agency for Israel encouraged some of its workers to go to the school and pick up a hammer.

Mimi Tarablus, who coordinates agency projects in Beit Shemesh, said she was volunteering "in order to help the children."

Sifting through dozens of children's books to see which ones were still usable, Tarablus, 25, said, "I don't know much about Reform Judaism, but religion isn't the issue.

"What matters is that someone burned a school and it needs to be repaired."

Avshalom Tzadok, director of the agency's Jerusalem Department of Rural and Urban Development, agreed.

"When something like this happens, you have to get involved. Sure, coming here is a symbol, but it's also very personal," he said. "We have a personal responsibility to each other as people and as Jews."

Tzadok said that his decision to repair the nursery was his way of fighting the "hatred and divisiveness that is tearing apart the Jewish people."

"When Hezbollah attacks Kiryat Shmona, they don't distinguish between Jews from this country or that country, from this stream of Judaism or that stream. When terrorists attacked Ben Yehuda Street, they didn't differentiate between Reform or Orthodox Jews.

"The Bible says to love the other as yourself, and that's what we're doing." □

Guard who saved documents demands apology from Swiss

By Naomi Segal

JERUSALEM, Sept. 16 (JTA) — A former Swiss security guard who rescued Holocaust-era documents from the shredder lashed out at the Swiss government during a visit this week to Israel.

"I need from Switzerland an apology," Christoph Meili told a news conference here. "I want an apology from the government, and this has not come."

Meili, 29, was making his rounds as a night watchman at the Union Bank of Switzerland in January when he discovered the documents headed for the paper shredder.

He secretly turned over some of them to a Jewish organization in Zurich — a move that created a storm of controversy in Switzerland, cost Meili his job and forced him to flee the country because of threats on his life.

Meili spoke Tuesday of the hostility he encountered in Switzerland before fleeing the country.

"People began to ask me, 'You are a spy? You work for the Mossad? Jewish people pay for you?' And I received more and more death-threat letters. I received letters that people will kill my kids."

Meili said he had traveled to Israel to help heirs locate the Swiss bank accounts opened by relatives during World War II. He added that he had brought with him some of the documents he saved from the shredder and would give them to the Yad Vashem Holocaust memorial.

While in Israel, Meili received the Righteous Gentile award from the Jerusalem Boystown high school.

"He really put himself in danger," said the school's executive vice president, Rabbi Ronald Gray. "Christoph is a living representation of that which we are trying to teach our children." □