



NEWS AT A GLANCE

■ **The Reform and Conservative movements will be the two largest groups in the American delegation to the 33rd World Zionist Congress in December, according to official election results.** The Reform ticket received nearly 48 percent of the more than 107,000 ballots cast, while the Conservative movement received about 26 percent. The elections were a battleground in the struggle over religious pluralism in Israel.

■ **The first checks from a Swiss fund to needy Holocaust survivors in Eastern Europe will be delayed by at least a month.** Payments to 12,000 survivors originally were expected this month, but have been postponed by what Jewish officials describe as the complex task of creating mechanisms for distributing the monies. [Page 3]

■ **Israel will not extradite to the United States a teen-ager accused of murder if he is found to be an Israeli citizen.** Prime Minister Benjamin Netanyahu conveyed this stance in a letter to U.S. Secretary of State Madeleine Albright, despite calls from Congress and the Anti-Defamation League that he extradite Samuel Sheinbein. Netanyahu also said Israel's Ministry of Justice is considering changing Israel's extradition law so that in the future Israeli citizens could be tried abroad if they are allowed to serve their sentences in Israel.

■ **A California woman rejected genetic tests performed by Israel's Ministry of Health that refute earlier tests showing that she is the daughter of a woman who immigrated to Israel from Yemen.** The well-publicized reunion of Tzila Levine with Margalit Omassi this summer lent credence to claims that hundreds of Yemeni children were kidnapped in Israel in the late 1940s and early 1950s.

■ **The Simon Wiesenthal Center sharply criticized Latvia for not demanding the extradition of an Australian citizen alleged to have committed war crimes in Latvia during World War II.** Latvian authorities say they have found no evidence against Konrad Kalejs, who was deported to Australia from Canada this summer.

NEWS ANALYSIS

Aid to the Palestinians: dilemma posed for diplomats, Jewish groups

By Matthew Dorf

WASHINGTON (JTA) — After the Israelis and Palestinians signed their first peace accord four years ago, the Jewish community emerged as a key backer of U.S. aid to the nascent Palestinian Authority.

Most Jewish groups said the aid was important so that the United States could use the money as leverage to ensure Palestinian compliance with the accords.

At the same time, the \$100 million a year aid program was the key to improving living conditions for Palestinians in the West Bank and Gaza, they said.

The broad support that aid to the Palestinians once enjoyed prompted one Jewish newspaper to joke that the pro-Israel lobby, the American Israel Public Affairs Committee, would change its name to the "American Israel Palestine Affairs Committee."

But in the past year, as the peace process began to stumble, Congress blocked U.S. aid to Arafat's government and support in the Jewish community for the aid crumbled.

The question of Palestinian aid continues to pose diplomatic challenges even as Israel and the Palestinians this week resumed long-stalled peace talks.

Indeed, under current law, Yasser Arafat and other Palestinian leaders are considered "terrorists" and would be banned from receiving visas to travel to the United States without a presidential waiver.

In August, Congress allowed a U.S. law that allowed for direct assistance to the Palestinian Authority to expire. The move came after the Clinton administration was unable to certify that the Palestinians are in compliance with their accords with Israel.

This forced these same Jewish groups to re-examine their positions on Palestinian aid: Should the Palestinian Authority receive U.S. aid? Should the money instead go to humanitarian foundations and infrastructure projects in Palestinian self-rule areas? Should no Palestinian causes receive U.S. money?

For now, most lawmakers and Jewish groups are supporting aid to the Palestinians as long as it is not delivered through the Palestinian Authority.

Over the past two years, the vast majority of the \$100 million in annual aid was channeled through non-governmental programs.

The distinction is important, supporters say, because continued humanitarian aid theoretically allows the average Palestinian to see the fruits of peace without rewarding the policies of Arafat's regime.

Aid process further complicated

The aid process has been further complicated by legislative initiatives in Congress. Last month:

- The State Department was forced to rescind an effort to attach the expired law, the Middle East Peace Facilitation Act, to the foreign aid bill after a bipartisan protest by members of Congress. Congress has been outspoken in its opposition to direct aid to the Palestinian Authority.

- Rep. Benjamin Gilman (R-N.Y.) rejected a State Department proposal to spend \$10 million that he has withheld from the Palestinian Authority on a Gaza sewer project. Instead, the money will go to Jordan.

- An attempt by the House to cut off all U.S. money for the Palestine Broadcasting Corporation was thwarted by a technicality. That effort came in response to concerns about anti-Semitic and anti-Israel programming.

Against this backdrop, AIPAC for the first time is publicly opposing direct aid to the Palestinian Authority. For now, at least, it will work with Congress to send money to Palestinian areas but not to the Arafat government.

"Under today's circumstances, we agree with the strong congressional sentiment that aid to the Palestinians, important in helping with humanitarian projects affecting the daily lives of the Palestinians, is the most effective if channeled through private voluntary organizations and other U.S. controlled mechanisms," said an AIPAC spokeswoman. This position has the backing

of most Jewish groups that in the past had urged Congress to continue direct assistance.

For its part, the Israeli government is supporting the move toward indirect U.S. aid. But it went one step further and hailed the international community for providing Palestinian aid, much of which goes to pay the salaries of Palestinian Authority employees, including the police force.

Israeli Finance Minister Ya'acov Ne'eman thanked the World Bank and International Monetary Fund in a recent speech. "I would like to commend their efforts to assist the incipient Palestinian economy, and thereby promote peace," he was quoted as saying.

Although the Israelis publicly thanked the Palestinians' donors, Zionist Organization of America president Morton Klein said senior Israeli officials have told him they want all money cut off.

That is why, Klein said, he continues to lead the fight against all aid to Palestinians.

"When God wanted to get the Jews out of Egypt, did he send money to Pharaoh? No, he sent 10 plagues," Klein said. "He didn't say, I'll give you \$10 million."

But Klein is in the minority in the organized Jewish community.

"Economic deprivation in the territories create conditions that are fertile for extremism," said Martin Raffel, associate executive vice chairman of the Jewish Council for Public Affairs.

"I don't see any of our member organizations opposing" economic aid to the Palestinians, he said. "No one thinks that it's a good thing for Palestinians to be poor and uneducated." □

Israel's president preaches ideas for peace in Washington

By Matthew Dorf

WASHINGTON (JTA) — With a mix of ceremony and substance, Ezer Weizman preached peace on his first visit to the United States as Israel's president.

An activist statesman in what is traditionally a ceremonial post, Weizman breezed through the political establishment and the American Jewish community during his visit this week.

Beginning with a White House dinner Monday, Weizman defended Israeli Prime Minister Benjamin Netanyahu's pursuit of peace and supported his call for a U.S.-sponsored Camp David summit to negotiate the final-status issues.

President Clinton did not respond directly to Weizman's request but said he is willing to do anything or go anywhere — Camp David, Florida or the North Pole — for the cause of peace.

"I would get parkas for all of us, and we could all go to the North Pole and stay there until we had a peace agreement," said Clinton. "At least, it would cool things down."

But for now, Clinton opposes an intense negotiating format modeled after the 1978 Camp David talks that led to the Israeli-Egyptian peace treaty.

At an Oval Office meeting with Weizman, Clinton said the lack of trust and the gaps between the parties are too wide for successful talks.

Israeli-Palestinian negotiations resumed in Jerusalem Monday, after a seven-month hiatus, with the assistance of U.S. Special Middle East Coordinator Dennis Ross. The sides will convene in Washington next week to continue their talks.

Weizman told Clinton that Netanyahu and Arafat could use a "little push" but not "pressure," according to Israeli reporters.

The remarks mirrored comments Weizman made at the small dinner Clinton hosted along with Vice President Al Gore and Secretary of State Madeleine Albright.

Clinton sat for three hours with some 20 American Jews at a carefully crafted roundtable to discuss the peace process.

What Clinton heard, according to meeting participants, is a Jewish audience united in its support for U.S. pressure to continue the peace process.

But many participants told the president that he does not have Jewish support to pressure Israel into taking specific steps.

Clinton and Albright both said there were no plans to pressure Netanyahu.

Guests included leaders from the Conference of Presidents of Major American Jewish Organizations, American Jewish Congress, American Jewish Committee, Hadassah and the Reform, Conservative and Orthodox movements.

For Weizman, his trip was a long time coming.

"It's time for me to come here to voice and to share an opinion on how we should go on," Weizman said to a group of about 250 Jewish activists, administration officials and former diplomats at a luncheon at the State Department.

The Jordanian and Egyptian ambassadors to the United States attended the lunch.

One of the few public discussions of the failed Mossad attempt to assassinate a Hamas leader in Amman came in the Oval Office before Clinton began his meeting with Weizman.

"I believe that it's important to fight terrorism, but I think it's important to consider in the fight the consequences on all of your allies in that fight and what the ultimate conclusions will be," Clinton said in his strongest criticism of the affair to date.

Weizman hosted a large reception of hundreds of Jewish activists and met with a small delegation from the Conference of Presidents before he returned to Israel Thursday. □

Vigil marks end of mourning for victims of suicide bombing

By Michele Chabin

JERUSALEM (JTA) — Dozens of Israeli women held a silent 24-hour vigil this week to commemorate the end of the 30-day mourning period for the victims of Sept. 4 triple suicide bombing at Jerusalem's Ben Yehuda pedestrian mall.

Elana Rozenman, an immigrant from California, planned the vigil after her 16-year-old son, Noam, was badly injured in the bombing.

The teen-ager, who suffered burns and broken bones, was transferred Monday to a rehabilitation hospital. He is expected to make a full recovery.

Rozenman said she founded a group called Women Shaping the Future just days after the attack.

"As I lay on the floor next to my son at Hadassah Hospital's burn unit, Noam asked me how something like this could happen.

"I told him I didn't know, but promised that I would do something so that it wouldn't happen again," she said.

In addition to planning the vigil, the organization formed a support group, has organized visits by teen-agers to hospitalized victims of terror attacks and hopes to form a dialogue group of Jewish and Arab mothers.

Jewish women in 30 other cities around the world held solidarity vigils for the five people killed and more than 190 injured in the attack. □

Sanctions law backers dismayed by stance on French energy firm

By Daniel Kurtzman

WASHINGTON (JTA) — The Clinton administration's decision to defer sanctions against a French energy firm that signed a multibillion dollar gas deal with Iran has raised serious concerns among Jewish groups.

Faced with trenchant opposition from the European Union, the administration decided to delay imposing sanctions required by a 1996 U.S. law against any company that invests more than \$40 million a year in Iran's energy sector.

The Iran-Libya Sanctions Act provides for punitive trade measures to curb investments that the U.S. believes would give Iran funds to acquire weapons or promote terrorism.

Total, the French oil and gas company, announced last month that it had joined the Russian gas giant Gazprom and the Malaysian state oil company Petronas in a \$2 billion deal to develop the Iranian offshore gas field known as South Pars.

The move touched off a dispute between the United States and France, which warned that it would stand by the deal. The 15-member European Union later chimed in, presenting a united front in opposing any attempt to apply U.S. law to foreign companies.

In response, the Clinton administration has indicated that it may waive sanctions against Total and exempt all companies based in E.U. member countries from the law provided that Europe adopts measures aimed at demonstrating its support for other U.S. efforts to contain Iran.

The proposal has met with criticism from some proponents of the sanctions law, including Jewish officials, who see the waiver as a threat to U.S. credibility.

"What is at stake here is the entire policy of containment of Iran," a senior official of a pro-Israel organization said. "American credibility is being tested, and if at the first test the U.S. backs down, the Iranians and the big companies will consider that our sanctions were only a bluff."

Jason Isaacson, Washington director of the American Jewish Committee, said: "We are looking for signs of very firm American action to prevent the realization of Iran's weapons development and nuclear ambitions. We have been encouraged by some signals in the past, but this is the time to see very clear action, very decisive action by the administration."

'Foreign companies are watching'

In a letter to President Clinton, Rep. Benjamin Gilman (R-N.Y.), chairman of the House International Relations Committee, and Sen. Alfonse D'Amato (R-N.Y.), principal sponsor of the sanctions law, urged Clinton to hold firm and slap sanctions on Total.

"If the United States does not take swift, decisive action to apply these available sanctions, we will undercut our long-standing policy against Iranian terrorism," they wrote. "Dozens of foreign companies are watching our reaction to the Total deal. If we do not sanction Total as a violator of the Iran-Libya Sanctions Act, 'it is likely that foreign investment will pour into Iran's oil and gas fields.'"

The controversy comes amid reports that Iran, with the help of Russian technology, is accelerating development of a new ballistic missile capable of delivering chemical, biological and other warheads to Israel and other states in the region.

Maj. Gen. Ze'ev Livneh, the Israeli military attache in Washington, said this week that Iran has successfully tested the engines of a new long-range missile with a range

of about 800 miles and that it could become operational within 12 to 18 months.

The State Department, meanwhile, announced this week that U.S. experts will soon visit France, Russia and Malaysia as part of a U.S. probe to determine if sanctions are called for in connection with the Total deal.

"We are actively investigating this case to determine whether sanctionable activity has occurred," State Department spokesman James Rubin said. "I'm not going to anticipate the results of our review or speculate about what decisions we will make," he added.

The European Union has set an Oct. 15 deadline for reaching a compromise with Washington over sanctions. If no deal is reached, the European Union is threatening to challenge the U.S. law at the World Trade Organization. □

Swiss fund's first payments to Holocaust survivors delayed

By Daniel Kurtzman

WASHINGTON, Oct. 9 (JTA) — Needy Holocaust survivors in Eastern Europe will have to wait a little longer.

Jewish officials had previously indicated that the first payments from Switzerland's Holocaust Memorial Fund would be made this month, but now they say it will be the end of November before the checks are in the mail.

Last month, Jewish officials turned over to Swiss authorities the names of some 32,000 Holocaust survivors, 12,000 of whom were eligible for the initial round of payments from the fund.

The first group of recipients has been limited to Jews living in former Soviet bloc countries — the so-called "double victims" who suffered under both Nazism and communism and never received reparations from the German government.

The delay in allocating the fund has resulted from what officials describe as the complex task of creating mechanisms for distributing the monies.

In addition, the Swiss members of the fund's administrative council have insisted on auditing the names "to check that the list corresponds with reality and was made in the correct way," said Barbara Ekwall, a spokeswoman in Bern for the Fund Secretariat, which handles the administrative functions for the fund.

The process of verifying names presumably will be a factor in the delayed payments.

Many of the Holocaust survivors who have been designated to receive payments, meanwhile, have expressed bitterness and impatience in recent weeks as they await checks in the amount of about \$1,000 each.

Elan Steinberg, executive director of the World Jewish Congress, said "any delay is unacceptable" in light of the fact that they have been waiting 50 years for compensation. But, he added, "in view of the complicated political and technical issues involved here, it's remarkable we've been able to get to this point."

Switzerland's three largest banks created the fund earlier this year amid allegations that they were hoarding the wealth of Holocaust victims. The fund now stands at about \$116 million. Additional pledges already made by private Swiss companies and the Swiss National Bank would bring the total to some \$200 million.

After the payments are made to survivors in Eastern and Central Europe, the remainder of the fund will be distributed to other survivors on the basis of need and age. The fund's executives, comprised of both Swiss and Jewish officials, are expected to meet in Switzerland early next year to finalize arrangements for disbursing the rest of the fund. □

Swastikas painted on walls of Reform synagogue in Jerusalem*By Michele Chabin*

JERUSALEM (JTA) — The latest attack against a Reform institution in Israel has Reform leaders here greatly concerned.

On Tuesday morning, the rabbi of Jerusalem's Harel Reform Synagogue discovered that someone had painted swastikas and the words "Damned Wicked Ones" on the glass-enclosed billboard at the entrance to the temple.

Rabbi Ariel Yoel immediately called the police, who are investigating the incident.

Rabbi Uri Regev, director of the Reform movement's Israel Religious Action Center, called on the country's religious and political leaders to reject hate crimes unequivocally: "We hope that the rabbinic and political leadership will wake up and realize that a message of mutual respect and tolerance must come from them."

Noting that the week between Rosh Hashanah and Yom Kippur is traditionally a time of soul-searching and atonement, Regev said, "It is sad that during the days of atonement, threatening statements of violence and hatred are made."

On Aug. 31, a firebomb was thrown through the window of a nursery school operated by the Reform movement in Mevasseret Zion, a suburb of Jerusalem.

The private school, located in a rented apartment, was almost completely destroyed.

It serves about 40 children between the ages of 3 and 5, and had been scheduled to open its doors Sept. 1, the first day of Israel's new school year.

Police have not yet found any suspects.

The two incidents took place at a time of heightened religious tensions in Israel, where the non-Orthodox movements have been calling for an increased role in the country's religious life, which until now has been under the sole control of the Orthodox. □

Supreme Court upholds ruling on college graduation prayers*By Daniel Kurtzman*

WASHINGTON (JTA) — The Supreme Court has rejected a constitutional challenge to Indiana University's custom of having a clergy member offer prayers as part of its official commencement ceremony.

The justices, without comment, turned away arguments Monday that the state school's custom violates the constitutionally required separation between church and state.

The high court ruled in 1992 that clergy members could not lead such prayers at public grade school or high school graduation ceremonies. But the decision said the rule might not apply to officially sponsored prayers at a public university or a city council meeting.

The court let stand a U.S. appeals court ruling, which noted that the university's practice "has prevailed for 155 years and is widespread throughout the nation."

"The university's inclusion of a brief, non-sectarian invocation and benediction does not have a primary effect of endorsing" religion, the appeals court said. "There is no excessive entanglement of church and state."

Marc Stern, co-director of the American Jewish Congress' legal department, called the Supreme Court ruling "unfortunate but predictable."

He stressed, however, that the justices' refusal to hear the case should not be viewed as a "weakening of the court's position" on prayer at elementary and secondary school graduation ceremonies. □

Australian acquitted in 1993 of Nazi war crimes dies at 81*By Jeremy Jones*

SYDNEY (JTA) — The only Australian ever to face trial for participating in Nazi crimes has died at the age of 81.

In 1990, Ivan Polyukhovich was arrested and charged with murdering Jews and of being involved in the deaths of up to 850 others in Nazi-occupied Ukraine in 1942 and 1943.

The day before his hearing was due to commence in 1990, he attempted suicide.

He had earlier said that he had never killed anyone and that the charges were baseless.

The injuries he suffered as a result of the suicide attempt, court challenges by the defense and his ill health resulted in a long delay before his case was brought to trial.

Nine members of the Ukrainian community in the Rovno region, where the atrocities of which he was accused took place, testified in his 1993 trial.

After the judge instructed the jury that a guilty verdict would require an absence of reasonable doubt and that after five decades it would be extraordinary if no doubt existed, he was acquitted after less than 90 minutes of deliberation.

Of more than 800 people investigated by the Australian government since 1989 for participation in Nazi war crimes, only three have faced charges. □

El Al offers one-day getaway for Israelis to shop in Europe*By Michele Chabin*

JERUSALEM (JTA) — Israelis who want to get away from it all will soon be able to fly to Europe for a day's worth of fun and shopping.

El Al, Israel's national airline, has announced a new marketing campaign that will enable people to fly from Tel Aviv to London or Paris and return home the same day.

The price for the getaway, not including purchases in Harrods department store or along the Champs Elysees, will be about \$330.

The carrier, which is facing a budget deficit of up to \$45 million this year, said it will introduce the one-day excursion at the beginning of November, the company's low season.

"El Al is looking into new creative marketing approaches that will provide additional passengers to fill our planes during the quiet winter months," said the airline's spokesman, Nachman Kleiman.

Kleiman attributed El Al's financial problems, which peaked in 1996 with an \$80 million deficit, to a number of factors: a decrease in tourism to Israel as a result of the volatile security situation; higher international fuel costs; and devaluation of the shekel against the dollar.

After market research concluded that thousands of Israelis fly to Europe every year to shop, El Al decided to introduce a one-day getaway, Kleiman said.

Stressing that it takes only four hours to fly to London and Paris from Israel, he said, "Many people from Chicago fly to New York for the day."

El Al expects the fare to attract businessmen and women and upscale Israelis.

"Israelis are adventurous, they're shoppers, and like to try things that are different," Kleiman said. "When a friend asks them what they did yesterday, they can say they flew to London to go shopping." □