



## NEWS AT A GLANCE

■ Citing progress in peace talks, Secretary of State Madeleine Albright announced that she would meet separately next week with Israeli Prime Minister Benjamin Netanyahu and Palestinian Authority Chairman Yasser Arafat in Europe. [Page 1]

■ The Board of Governors of the Jewish Agency for Israel approved a new structure that will streamline the agency's bureaucracy and operations. The agency hopes to save money by combining administrative functions with those of the World Zionist Organization.

■ Senate Banking Chairman Alfonse D'Amato (R-N.Y.) introduced legislation authorizing the United States to pay Holocaust survivors groups up to \$25 million. Similar legislation has been introduced in the House of Representatives.

■ Israeli Defense Minister Yitzhak Mordechai was in St. Louis to watch the first batch of F-15-I fighter planes roll off the assembly line. Israel will receive the first two of 25 of America's most advanced fighter jets early next year.

■ A historian at the trial of Maurice Papon testified that the former Vichy official knew of the fate that awaited deported Jews. Marc-Olivier Baruch argued against Papon's claims that he was only a low-level functionary in France's wartime collaborationist government. Papon is the highest-ranking official in the Vichy government to go on trial for war crimes.

■ A German court ruled against a bass player who was fired from his job with the Berlin Opera for signing "Adolf Hitler" on a check while on tour in Israel. Gerd Reinke, who had appealed his dismissal, had called his actions a joke and said he was both drunk and under the influence of sedatives at the time of the incident.

■ First lady Hillary Rodham Clinton announced that she would visit a monument to the Lvov ghetto when she visits the former Soviet Union next week. Clinton will also visit a Jewish site in Uzbekistan.

## NEWS ANALYSIS

### A Clinton-Netanyahu meeting could depend on talks' progress

By Matthew Dorf

WASHINGTON (JTA) — When Benjamin Netanyahu was elected prime minister of Israel last year, a discouraged President Clinton told his close advisers and some friends in the Jewish community that Israel's relations with the United States are bigger than one man.

It's a line that Clinton is said to have repeated in recent weeks as he locked horns with Netanyahu over the future of the Middle East peace talks.

Clinton was worried that the Israeli-Palestinian peace accords he had signed would unravel under a Likud administration.

Whether those accords are salvageable was the subject of much debate as the Israelis and Palestinians met here this week in the latest effort to revive the moribund peace process.

Furthermore, the success or failure of the latest attempt to move the Israelis and Palestinians forward could determine whether Clinton meets Netanyahu when he visits the United States this month.

In what has become a favorite parlor game, pro-Israel activists in Washington are wondering whether Clinton will take the unusual step of not agreeing to see a visiting Israeli premier.

Netanyahu has committed himself to address the annual gathering of the Council of Jewish Federations, meeting in Indianapolis on Nov. 16.

He is also scheduled to be in Los Angeles on Nov. 17 and 18.

Citing a busy schedule, Israeli officials have said publicly that there are no plans for a White House visit.

Clinton already has scheduled for that week a trip to California as well as talks with two other visiting heads of state.

The difficulty of scheduling a Netanyahu meeting is compounded by Secretary of State Madeleine Albright's plan to lead the U.S. delegation to Doha, Qatar, for the Middle East economic summit slated for the same week.

But as an Israeli official said, "We know that if the president wants to meet with the prime minister, he will find time for a meeting."

While some Israeli officials hold out hope that Clinton will see Netanyahu when their travel plans coincide in California, the arrangement would be highly unusual. In Clinton's six years in office he has only met one leader — the pope — in the United States outside of Washington or the United Nations. The real question is whether Clinton wants such a meeting or whether he believes it would send the wrong signal.

While the White House publicly says there are no problems between Clinton and Netanyahu, an official said last week, "The president does not want to meet with the prime minister just for the sake of meeting with the prime minister."

### Albright to meet Netanyahu, Arafat

In fact, after citing limited progress in this week's Israeli-Palestinian talks in Washington, Albright decided Thursday to meet next week with Israeli Prime Minister Benjamin Netanyahu in London and with Palestinian Authority Chairman Yasser Arafat in Geneva.

"It's a very good beginning," said Mahmoud Abbas, Arafat's deputy, told reporters after meeting with Israeli Foreign Minister David Levy and Albright. "We did not reach an agreement, but we found a good deal of understanding."

Levy said, "We have still much work between us, but we will do it together."

The two sides spent the week negotiating issues on a U.S.-sponsored, four-part agenda. The issues included a "timeout" on Israeli settlement construction, security issues, accelerating the permanent-status talks, and outstanding interim issues. The interim issues included further redeployment in the West Bank, as well as the creation of a Palestinian airport and seaport and safe passage between the West Bank and Gaza Strip.

U.S. officials tried to put the best spin on the talks in the hope that they can still persuade some Arab states to send representatives to the Doha conference.

"On some of the issues, the gaps have clearly been narrowed and

progress has been made. On others there is still work to do," said James Rubin, State Department spokesman.

"Each side has a better appreciation of the needs and concerns of the others on the issues contained in the four-part agenda."

Upbeat Palestinian and Israeli negotiators pledged to reconvene daily in the Middle East beginning Sunday.

Earlier in the week, when asked on PBS' "News Hour with Jim Lehrer" about tension with the Clinton administration, Netanyahu said, "We can and we do have occasional disagreements, as have most Israeli governments in the last 30 years on specific issues."

Netanyahu said both Israel and America have an "abiding interest to achieve peace here, to fight terrorism, to achieve regional stability, and I think we see eye to eye on all those things."

Pro-Israel activists say that even though Clinton and Netanyahu are going through a rough stage, the fundamentals of the relationship remain intact.

U.S. officials pointed to the warm reception that Israeli Defense Minister Yitzhak Mordechai received this week from Albright and Defense Secretary William Cohen as proof that relations with the Jewish state are solid.

Indeed, Cohen announced that he would travel to Israel in December. Whether Netanyahu will have met with Cohen's boss by then remains to be seen. □

### **House blocks plan to initiate school vouchers across nation**

*By Daniel Kurtzman*

WASHINGTON (JTA) — The House of Representatives has dealt a setback to school-voucher proponents, voting down a plan that would have made public funding available for low-income students to use at private and parochial schools across the country.

After hours of heated debate, lawmakers voted 228-191 against an initiative that had been a key component of the Republican leadership's education agenda.

School vouchers have long divided the Jewish community, and activists had a mixed reaction to this week's House action. David Harris, director of the American Jewish Congress' Washington office, said the vote "demonstrates that the House leadership cannot convince even their own majority of the wisdom of funneling federal dollars to private and parochial schools at great cost to public education."

Richard Foltin, legislative director and counsel for the American Jewish Committee, said the vote shows that while there is a lot of support for vouchers, "it's certainly not the unstoppable engine that some have suggested it might be."

Despite the vote, Jewish voucher proponents said they remain optimistic that Congress will eventually enact voucher legislation.

The momentum for vouchers "is clearly behind us," said Nathan Diament, director of the Orthodox Union's Institute for Public Affairs. "We're much farther down the road now than we've ever been."

Matt Brooks, executive director of the Jewish Policy Center, a think tank affiliated with the pro-Republican National Jewish Coalition, called the House vote "unfortunate," but he added that it was not "a major setback."

About two dozen Republicans joined Democrats to defeat the measure, which would have allowed states to use some of the federal funding they currently receive as general aid for elementary and secondary schools to create scholarships for needy children who want to attend private or parochial schools.

Supporters of the measure, including House

Speaker Newt Gingrich (R-Ga.) and House Majority Leader Dick Armey (R-Texas), said it would have helped public schools by creating competition, while providing poor families with some of the schooling choices enjoyed by affluent families.

Opponents argued that vouchers would help only a handful of low-income students at the expense of the public school system, which educates about 90 percent of U.S. children.

Another recent House vote on vouchers had a different outcome. Last month lawmakers backed an experimental voucher plan that would have provided tuition subsidies of up to \$3,200 to 2,000 low-income students in the District of Columbia. Some lawmakers who supported the pilot program for Washington remain opposed to introducing vouchers at the national level without a trial run, and that may have accounted for the margin of difference in the two votes, observers said.

"The farther you go away from a narrow experimental program to help the poorest of the poor, the less support there is," said Stephen Silberfarb, deputy director of the National Jewish Democratic Council.

Meanwhile, the voucher proposal for Washington was still alive in the Senate this week, despite a successful Democratic filibuster to kill the initiative. Republicans were considering adding it as an amendment to the final version of the District's appropriations bill — a move that would likely prompt President Clinton to either veto the entire bill or use the line-item veto to ax the voucher plan.

On a related issue, the Senate this week blocked a bill that would have given parents a tax break for setting up savings accounts to be used for elementary and secondary school expenses, including private- and religious-school costs. For a second straight week, Republicans fell short of the 60 votes needed to cut off a Democrat-led filibuster.

The O.U.'s Diament was disappointed by the Senate's action, saying the measure "would provide critical and meaningful support to parents in their struggle to provide the best education to their children." □

### **Swiss claim several Israelis plotted to kidnap Onassis heir**

*By Naomi Segal*

JERUSALEM (JTA) — Two former senior Israeli army officers were allegedly involved in a plot earlier this year to kidnap the granddaughter of the late shipping magnate Aristotle Onassis, according to the Israeli daily Yediot Achronot.

The plan was thwarted after a third Israeli contacted the girl's father, Thierry Roussel, and tried to sell information about the plot for \$50,000, the report said. The man was arrested by Swiss authorities.

Israeli police officials told Israel Radio that six Israelis had been detained in connection with the affair.

They said the suspects had disclosed during questioning that the pursuit of Athena Roussel, 12, was ordered by her father's rivals in order to make him lose custody of her, and that there was never any intent to kidnap her. Athena, who is the daughter of the late Christina Onassis, is expected to inherit \$2.4 billion when she turns 18. Her father has filed a lawsuit to take control of her trust fund.

According to the report, the attempted kidnapping was to take place in February, but Geneva police were informed of the plot and warned the authorities in St. Moritz, where Athena and her father were vacationing.

A breakthrough in the case came in September, when Swiss police arrested an Israeli, identifying himself as "Ayal," who had tried to extort \$50,000 from Roussel in exchange for information about the kidnapers. □

**Former Nazi slave laborers lose bid for German amends***By Deidre Berger*

FRANKFURT (JTA) — A German court has upheld its government's policy of rejecting compensation claims made by former Nazi slave laborers.

Wednesday's ruling by a Bonn district court was a defeat for the thousands of Holocaust survivors who worked under the Nazis' forced-labor system.

The judges ruled that German law already provides compensation to victims of Nazi persecution, but excludes the payment of wages to victims of forced labor.

Jewish groups and opposition politicians in Germany had been hoping that a favorable court ruling would help them reverse the German government's compensation policies.

German officials are currently negotiating with the Conference on Jewish Material Claims Against Germany regarding compensation payments to Holocaust survivors in Eastern Europe.

Germany has paid more than \$54 billion in compensation to Holocaust survivors since World War II.

However, those living in Soviet-bloc countries were unable to apply for compensation during the Cold War, and Communist East Germany refused to make any payments.

Jewish organizations estimate there are between 15,000 and 40,000 Holocaust survivors in Eastern Europe who have never received compensation.

For the past five years, a group of former slave laborers have been embroiled in legal proceedings in an attempt to receive back pay for their involuntary labor.

The 21 women, who were forced to work at German chemical and munitions factories near Auschwitz, brought a class-action suit to try to change government policy.

The court ruled that only one of the 21 plaintiffs was entitled to a one-time compensation payment — of about \$8,500, plus interest.

The court ordered the payment for the Polish-born woman because she had been previously unable to request restitution because she had lived behind the Iron Curtain when an application deadline expired.

She received the payment for her imprisonment at Auschwitz, not for wages as a slave worker.

**Court rules prior restitution sufficient**

The 20 other plaintiffs had already received restitution as victims of Nazi persecution. The court ruled that this restitution was sufficient under German law.

Lawyers for the plaintiffs said they would appeal the ruling.

German companies that used forced labor generally paid their salaries to the Nazi SS, which kept the money.

Most of those companies — including German industry giants such as Volkswagen, Daimler-Benz and Siemens — are still in business. None of them have made more than token payments to their former slave laborers.

The companies have argued that they paid the Nazi SS for the forced laborers they employed and that any further compensation should come from the government.

The Bonn court's ruling did not come as a surprise.

In a statement issued in September, before they began deliberations on the case, the judges said they believed an issue of such importance should be decided by lawmakers, not by judges.

They expressed the hope that negotiations between the Bonn government and the Claims Conference on additional restitution payments would be completed before the court ruled on the case.

In August, the German government and officials of the Claims Conference announced the establishment of a joint commission to recommend a compromise.

The commission is expected to make its proposals before the end of the year. □

**East Germany offered survivors compensation to boost U.S. ties***By Michael J. Jordan*

BUDAPEST (JTA) — Contrary to popular opinion, East Germany considered the idea of compensating Holocaust survivors — and even offered a token payment in hopes of satisfying Jewish claims.

So argues German historian Angelika Timm in her new book, "Jewish Claims Against East Germany: Moral Obligations and Pragmatic Policy," which will arrive in U.S. bookstores in January.

On ideological grounds, the Communist regime of East Germany had since the early 1950s resisted pressure from Jewish groups and Israeli leaders to compensate survivors. But the regime, writes Timm, a professor at Humboldt University in Berlin, began to entertain the idea soon after its admission to the United Nations in 1973.

The motive for the change was pragmatic: to improve trade and diplomatic relations with the United States.

Her first insight into East Germany's past came in 1990, when she served as a Hebrew-German interpreter at negotiations between Israel and East Germany.

She later gained access to archives detailing high-level meetings among East German, U.S., Israeli and Jewish officials.

East Germany was willing to negotiate the issue, she said, but at home the state-controlled media kept the public in the dark.

"I grew up in East Germany and more or less believed what I'd heard," Timm said in a recent interview.

"Everyone thought [East Germany] was denying its role. But nobody knew there were negotiations. Even the Jewish community had no information about it."

East Germany had long maintained that its anti-fascist forces had defeated Hitler, so it could not be held responsible for the suffering of German Jews or the Aryanization of their property.

East German officials also claimed that efforts to "shake down" the country were the work of American capitalists trying to make inroads into the East German economy. By the mid-1970s, though, with trade and international recognition on its mind, East German officials began singing a different tune, Timm said.

In 1976 the regime sent a check for \$1 million to the Conference on Jewish Material Claims Against Germany. Claims Conference officials rejected the check as a laughable sum and held fast to demands for a minimum payment of \$100 million.

Still, the East German gesture was significant because it was the first time it had recognized its obligation to make restitution. Only when the East German economy failed in the 1980s, however, did its leaders begin to negotiate in earnest.

At the same time, Soviet leader Mikhail Gorbachev's policies of glasnost and perestroika prompted U.S. officials to attempt to lure East Germany away from the Soviet sphere through carrot-and-stick diplomacy concerning compensation.

Eventually, East Germany began considering compensation ranging from \$10 million to \$100 million.

But the talks ultimately proved fruitless after the 1989 fall of the Berlin Wall and the unification of East and West Germany. □

**Call for rival Jewish Agency lacks broad political support***By Michele Chabin*

JERUSALEM (JTA) — Calls to create an alternative Jewish Agency for Israel to represent the interests of Orthodox Jews are not gaining much support.

Shas Party leader Aryeh Deri and Sephardi Chief Rabbi Eliahu Bakshi-Doron have charged that the Jewish Agency is a bastion for the non-Orthodox movements and that its chairman, Avraham Burg, has displayed a preference for the Reform and Conservative movements in their bid to win legal recognition in Israel.

Burg has been a vocal proponent of religious pluralism in Israel and has openly backed efforts to resolve through negotiations the conflict between the Orthodox and non-Orthodox.

While the idea of establishing a rival agency has not mustered political support beyond Shas, it reflects the deepening animosity between the fervently Orthodox and liberal streams of Judaism.

The calls by the two Sephardi leaders came amid the heated debate over religious pluralism and in the wake of a recent Labor-Likud accord to allow Avraham Burg, who is Orthodox and affiliated with Labor, to continue as chair of the agency for another two years before turning over the reins to an as-yet-unnamed Likud member.

It also comes after the Reform and Conservative movements' strong showing in elections for the 33rd Zionist Congress, which is slated for Jerusalem next month.

The victory — the Reform and Conservative claimed more than 73 percent of the American Jewish vote — places the non-Orthodox streams in a position to capture key leadership positions within the World Zionist Organization establishment and wield significant influence over the budget of its partner, the Jewish Agency.

At least half of the agency's \$400 million budget is contributed through the United Jewish Appeal by U.S. Jews. The money is spent mainly on immigration and absorption as well as Jewish and Zionist education in the Diaspora.

"If the Jewish Agency has become the home of the new streams and an arena for political bickering, then an alternative agency can be established," Bakshi-Doron told Jewish Agency and WZO officials affiliated with the World Mizrahi Movement, which includes several Orthodox groups, including the National Religious Party, but not Shas.

**Non-Orthodox should 'stew in their own juices'**

Deri said Reform and Conservative Jews should be left to "stew in their own juices."

The two groups have little support in the government of Prime Minister Benjamin Netanyahu for setting up a new organization. Knesset member Avraham Ravitz of United Torah Judaism, one of three religious parties in the governing coalition, believes that creating an alternative could threaten Jewish unity.

Knesset member Ze'ev Boim of the Likud Party said Shas' call for an alternative agency "is a bad suggestion — one that the Likud and others should reject."

The Jewish Agency "is the organization of the Jewish people all over the world and it should be maintained," he said.

Shas has not yet taken any formal action to establish an Orthodox agency.

"At the moment it's just an idea, but one that we have been considering for a long time," said party secretary Tzvika Jacobson. "Shas is entitled to representation in a world Jewish body, but it can't be the Jewish Agency, a body we see as almost anti-Zionist."

Burg, meanwhile, appears to be untroubled by the calls for a rival agency.

He questioned Shas' ability to support an alternative agency, given that some 70 percent of the American Jews who contribute to annual fund-raising campaigns are Reform or Conservative. A portion of the campaigns goes to fund the Jewish Agency.

"Even if they were to succeed in creating such a non-profit body, it would be very parochial, very ghettoized," he said. "I don't think they're serious about this."

Burg's own efforts to quell the fierce dispute over religious pluralism got a boost of support last week from Israeli emissaries of the WZO and the Jewish Agency stationed in the United States and Canada.

"As those who strive to strengthen Israel's position in the Jewish community and the connection between Israel and North American Jewry, we are sounding the alarm," the emissaries wrote in a letter to Burg. "The actions of certain Jews in Israel to delegitimize the Reform and Conservative streams of Judaism there are liable to cause a split between the Jewish people." □

**Maryland governor asks Israel to speed up teen's extradition***By Naomi Segal*

JERUSALEM (JTA) — The governor of Maryland has appealed to Israel to speed up a decision on whether to extradite an American Jewish teen-ager wanted on charges he committed a brutal murder.

Gov. Parris Glendening, who was in Israel on a trade mission, was expected to raise the matter in a meeting with Prime Minister Benjamin Netanyahu.

Samuel Sheinbein, who is suspected of involvement in a brutal murder in a Maryland suburb, fled to Israel days after the body was discovered.

He is being held in an Israeli jail pending the outcome of the court ruling on whether he is an Israeli citizen. Under Israeli law, a citizen who commits a crime abroad cannot be extradited, but can be tried in Israel.

Attorney General Elyakim Rubinstein declared last month that the youth is not a citizen and can be extradited.

"We feel people have been cooperative and fair," Glendening told Israel Radio. "Back home, of course, we have the family of the victim, as well as the community, which saw a particularly horrendous crime, a murder and dismemberment and burning of the body."

Glendening said he was convinced that the Israeli authorities were fully cooperating in the case.

Meanwhile, in Maryland, vandals spray-painted a swastika and other anti-Semitic graffiti inside the garage of Sheinbein's home.

Police are investigating the incident. □

**Israel opens 'kosher' hot line**

NEW YORK (JTA) — Restaurant-goers in Israel who believe their favorite falafel stand is committing an unhalachic culinary crime now have a way to strike back.

Israel's Chief Rabbinate this week set up a 24-hour hot line to handle complaints about violations of Jewish dietary laws in the country's eateries. Approximately 20 calls were reportedly handled on the service's first day.

"The response has been tremendous," said Rafi Yochai, an official for the rabbinate.

Restaurants found to be posting a fraudulent or outdated kosher license or who serve non-kosher food despite displaying the rabbinate's seal of approval face the risk of paying fines that range between \$285 and \$570.

Most restaurants in Israel want a kosher license so as to attract the business of observant Jews. □