

## DAILY NEWS BULLETIN

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80th Anniversary Year

### **NEWS AT A GLANCE**

- The U.S. Congress passed a \$13 billion foreign aid bill that includes more than \$3 billion for Israel and \$2.1 billion for Egypt. The measure also bans direct U.S. assistance to the Palestinian Authority and allows the authority's Washington office to reopen. [Page 2]
- Israeli Foreign Minister David Levy said he would not attend next week's regional economic summit in Qatar. [Page 3]
- Palestinian Authority Chairman Yasser Arafat reiterated his claim that the Palestinians would declare statehood in 1999, even if it were done unilaterally.
- Israel agreed to pay compensation to the Australian athletes injured in the bridge collapse at the opening ceremonies of the Maccabiah Games in July. The chairman of Maccabi Australia held talks with Israeli officials this week on the ongoing investigation into the disaster.
- A French court awarded \$7,000 to Jean-Marie Le Pen, deciding that the extreme-right leader had not made anti-Semitic slurs attributed to him in a book. The court said the journalist who authored the book had "gravely deformed" the contents of an interview with Le Pen.
- An archive focusing on the movement to free Soviet Jews was formally launched in New York. The archive will be housed at the University of Colorado in Boulder.
- A Brooklyn, N.Y., lawyer pled guilty to charges that he convinced investors, many of them Orthodox Jews, to invest in pyramid schemes. David Schick swindled people out of more than \$80 million.
- Israel's Green Party was established this week. The party hopes to be ready for upcoming local council elections.
- The Conference of Presidents of Major American Jewish Organizations held a tribute to former Supreme Court justices Louis Brandeis and Felix Frankfurter as part of a celebration of 100 years of Zionism.

#### **NEWS ANALYSIS**

## Syria's removal from drug list signals possible shift in policy

By Matthew Dorf

WASHINGTON (JTA) — President Clinton is quietly shifting U.S. policy toward Syria in a way that could signal a warming of relations between Washington and Damascus.

Only weeks after U.S. officials confirmed reports that the State Department had brokered Israeli-Syrian peace talks earlier this year, Clinton has removed a diplomatic thorn from Syria's side.

By taking Syria and Lebanon off the list of nations subject to sanctions because of illicit drug production and trafficking, Clinton this week delivered a long-sought-after prize to Syrian President Hafez Assad.

The change in policy will have no immediate impact on Syria because Syria remains on the U.S. list of nations that sponsor terrorism, which also mandates sanctions.

But the move delivers "a tremendous psychological boost for the Syrians," according to Hillary Mann, an associate fellow at the Washington Institute for Near East Policy.

"Taking Syria off the list should not be viewed in a vacuum," Mann said.

"This is part of something very important going on."

This week's decision came on the heels of Clinton's push to kill a Senate proposal that would impose economic sanctions on Syria because of its place on the U.S. list that penalizes sponsors of terrorism.

The United States is also "relatively silent" about Syria's accelerated development of weapons of mass destruction, Mann said.

Taken together, these developments suggest that the United States is actively trying to encourage participation in the Middle East peace process, analysts say.

For a decade, the United States has punished Lebanon and Syria for, among other drug-related offenses, opium production in the Lebanese Bekaa Valley, which is under Syrian control.

U.S. presidents usually exempted Lebanon from the sanctions by citing a national-interest waiver.

As recently as eight months ago, the State Department, in its annual International Narcotics Control Strategy Report, said an increase in drug seizures in 1996 "could imply that the total flow of drugs across Syria is growing."

The report also said, "Syria is a major transit country for hashish leaving Lebanon and for opium and morphine entering Lebanon."

But in a move that caught many members of Congress and pro-Israel activists off-guard, Clinton this week praised both countries for working to eradicate drug production and trade.

In a letter to members of Congress announcing his decision, Clinton wrote:

"Lebanon and Syria jointly began a campaign to eradicate the more than 3,400 hectares of Bekaa Valley opium poppy cultivation."

Declaring that "this effort has been effective" and that there is "no evidence" that other drugs from those countries reach the United States in significant quantities — one of the reasons for the creation of the U.S. list in the first place — Clinton removed both countries from the list of illicit drug producers.

#### **Immediate protests from Capitol Hill**

Israeli officials, who have expressed concern about drugs crossing the border from Lebanon to Israel, were stunned by the decision.

"Both Syria and Lebanon are still engaged heavily in the drug industry and in trafficking," one Israeli official said.

The move drew immediate protests from Capitol Hill.

Legislators are now considering legislation to overturn Clinton's decision.

Sen. Charles Grassley (R-Iowa), the chairman of the Senate Caucus on International Narcotics Control, said Clinton's move is "a misreading of the law" and is "irresponsible." U.S. officials said the decision was a



"technical" one and based on drug considerations, not political factors.

But many observers believe that politics are involved.

Rep. Charles Schumer (D-N.Y.), who also vowed to reverse Clinton's decision through legislation, accused the State Department of "putting their own foreign policy concerns ahead of our kids."

Daniel Pipes, editor of the Middle East Quarterly, said of the president's decision: "It's hard to see that it is a serious assessment of the Syrian role in drug trafficking."

Criticizing the move, Pipes suggested instead that it is intended to encourage "Syria to be forthcoming in the peace process."

Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said the Syrians have not "earned this by the merits of their behavior."

In contrast, Tom Smerling who last visited Syria in 1996 when he was director of the left-leaning Project Nishma, said, "This creates a critical opportunity for greater diplomatic influence with Syria."

"It will be viewed as a confidence-building gesture by the United States and it should create a favorable climate for American diplomatic initiatives," said Smerling.

He now serves as the Washington director of the Israel Policy Forum, which has merged with Nishma.

Clinton's efforts to bring Syria into the Middle East peace process to achieve a comprehensive settlement included an unprecedented 1994 visit to Damascus.

For now, many are left guessing at his motives.

"It's hard to say if the administration is trying to purchase cooperation" in areas such as the peace process, Mann said.

"But you really have to wonder."

#### Congress passes foreign aid; \$3 billion to Israel is included

By Matthew Dorf

WASHINGTON (JTA) — Both houses of the U.S. Congress have approved a \$13 billion foreign aid bill that includes more than \$3 billion for Israel and \$2.1 billion for Egypt.

President Clinton was expected to sign the long-awaited measure.

The bill passed only after lawmakers agreed to strip controversial anti-abortion clauses.

The annual spending bill passed Thursday includes a symbolic ban on direct U.S. aid to the Palestinian Authority.

It is a largely symbolic measure because the United States delivers virtually all of its \$100 million in annual U.S. aid to the Palestinians through non-governmental organizations.

The measure also allows President Clinton to reopen the Palestinian Authority's office in Washington.

The office has operated unofficially for two months because Congress allowed a law to expire that waives decades-old restrictions on the Palestinians.

Under an agreement with the White House, Israel will return \$50 million of its aid, which the United States will then send to Jordan.

Egypt will also contribute \$50 million for Jordan, bringing the total aid package for the Hashemite kingdom to \$225 million.

Former Soviet states are slated to receive \$770 million.

In an 11th-hour compromise that had held up the

bill, House Republicans agreed to drop an amendment that bars U.S. aid to international family planning groups that use private money for overseas abortions or lobby to liberalize foreign abortion laws.

The bill contains \$385 million for such programs. In exchange, Congress removed more than \$900 million slated to pay off the U.S. debt to the United Nations, a move that was certain to anger U.S. allies who have been pressing America to pay off its debt.

The Senate approved the bill by a voice vote. The House approved the bill by a vote of 333-76.

## Activists question Russian call for crackdown on racist media

By Lev Krichevsky

MOSCOW (JTA) — Russian officials have vowed to clamp down on hate crimes and racist publications, but some observers charge that they are only paying lip service.

Justice Minister Sergei Stepashin called this week for a new law regulating the media that would enable his ministry to clamp down on publications promoting fascism, anti-Semitism or radical ideologies.

But some people note that two publications — the Moscow-based Storm Trooper and The Bell, published in the southern city of Volgograd — continue to be published despite the fact that criminal proceedings have been launched against their operations.

Earlier this week, Russian Prosecutor General Yuri Skuratov said law enforcement agencies have trouble cracking down on hate crimes and extremist publishing ventures because the country's laws are not precise enough in spelling out what is not permitted.

Anti-fascist activists claim that very few cases of hate crimes have ever reached the courts.

Yevgeny Proshechkin, head of the Moscow-based Anti-Fascist Center, said this week that "sufficient action has not yet been taken by the prosecutor's office" against anti-Semitic activities.

In recent months, the Russian Jewish Congress and other Jewish groups have repeatedly called on the authorities to take a stand against racism and anti-Semitism.

#### Israeli-Egyptian travel declines

JERUSALEM (JTA) — Travel between Israel and Egypt declined sharply in the first half of the year, according to Israel's Central Bureau of Statistics.

During the first six months of 1997, 135,200 Israelis visited Egypt, a 13 percent drop from the same period a year earlier, the bureau reported.

At the same time, 6,500 Egyptians visited Israel, a decline of 38 percent from the previous year.

Tourism between Israel and Jordan changed little, the bureau said.

In the first half of the year, 19,700 Jordanians visited Israel, a decline of 1 percent from the previous year's similar period.

The number of Israelis visiting Jordan remained unchanged at 79,200.

The bureau did not explain the declines, but relations between Israel and its Arab neighbors have soured as the Israeli-Palestinian peace process faltered during the past year.

Egypt and Jordan are the only two Arab countries to have signed peace treaties with the Jewish state.

The Israeli-Egyptian peace accord was signed in 1979.

Israel and Jordan signed their peace agreement in 1994.  $\Box$ 

#### Assassination report charges Shin Bet mishandled informer

By Naomi Segal

JERUSALEM (JTA) — Declassified portions of a government report on the assassination of Prime Minister Yitzhak Rabin have cast a shadow over Israel's domestic intelligence agency.

While the classified sections released Thursday did not disclose anything to confirm various conspiracy theories surrounding the assassination, it did present a troubling picture of the Shin Bet's handling of one of its informants, Avishai Raviv.

Some Knesset members found the revelations disturbing enough to call for Shin Bet officials to be put on trial.

Perhaps the most disturbing of the report's revelations was that Raviv failed to tell the Shin Bet about Yigal Amir's repeated boasts that he was planning to kill Rabin.

"Raviv was closer to [Amir] than anyone else in organizing student demonstrations and weekends in Judea and Samaria," the Shamgar Commission report said.

The commission's report added that it was surprising "that in his report on Yigal Amir, he did not mention or hint at Amir's known statements about plans to attack the prime minister, which he voiced more than once in his circle of friends.'

Amir, who has stated that he wanted to prevent Rabin from ceding land to the Palestinians, is serving a life sentence for the Nov. 4, 1995, assassination of Rabin at a Tel Aviv peace rally.

The formerly secret sections gave details about the years Raviv acted as an undercover agent in Israel's extremist right-wing circles.

It described how he repeatedly attacked Arabs, initiated attacks against Jewish settlement leaders he considered too moderate and repeatedly told friends, including Amir, that the assassination of Rabin could be justified on religious grounds.

The Shin Bet recruited Raviv in 1987 from the ranks of right-wing extremists to inform on colleagues who were plotting violence against Palestinians and against Jews who supported the peace process.

Earlier this week, the head of the Shin Bet at the time of the Rabin assassination, Carmi Gillon, compared the use of Raviv as an informer to using drug addicts to catch drug dealers.

The report indicated that the Shin Bet dropped criminal charges against Raviv at least 11 times during the period he served as an operative.

#### An 'agent whose actions were provocative'

"This is an agent whose actions were provocative, who was not appropriately supervised by his handlers, who themselves sometimes approved his involvement in extremist activities in order to increase his credibility among his surroundings," the report said.

In most cases, the report said, Raviv's handlers learned of his actions only after they took place.

Despite the illegality of his actions, the report said Raviv's handlers never took any steps beyond repeated warnings that he refrain from such actions.

The report noted that while Shin Bet officials were aware that Raviv was a problematic operative, they never severed ties with him in the eight years he worked for them.

In one conversation Shin Bet officials had with Raviv in April 1992, he was told not to initiate actions but to report back on the actions of others.

Raviv was also told that his activities put the Shin Bet in a situation of "chasing its own tail."

National Religious Party leader Shaul Yahalom was among those Knesset members demanding that Raviv's Shin Bet handlers be brought to trial.

The Shin Bet "officials knew for eight years that his activities were illegal and against the country's legal and political institutions. They must come to trial," he told Israel Radio.

One Cabinet member, Communications Minister Limor Livnat, said the possibility of such a trial should not be ruled out.

#### Israeli foreign minister decides to bow out of Qatar conference

By Naomi Segal

JERUSALEM (JTA) — Israeli Foreign Minister David Levy has decided not to attend next week's regional economic summit in the Persian Gulf state of Qatar.

A Foreign Ministry spokesman said Thursday that Levy made the decision after concluding that the primary focus of the meeting was economic, not political.

The ministry said that Industry and Trade Minister Natan Sharansky would head the Israeli delegation to the Nov. 16-18 meeting in the Qatari capital of Doha.

The fourth annual Middle East and North Africa economic conference has been overshadowed by controversy. Arab states called for a boycott of the meeting, citing the lack of progress in the Israeli-Palestinian peace process.

Egypt, Saudi Arabia, Bahrain, Morocco and the United Arab Emirates announced that they are boycotting the meeting.

Jordan, Kuwait, Yemen, Tunisia and Oman have confirmed their attendance — partially due to pressure from the United States.

Still, they are expected to send low-level representatives.

U.S. Secretary of State Madeleine Albright, who is expected to take part in some of the proceedings, is expected to be the highest-ranking official among the visiting delegations.

Some 1,000 businessmen have registered for the conference, according to Martin Indyk, U.S. assistant secretary of state for Near Eastern affairs. He said the conference is important because it maintains the "infrastructure" for peace.

The lack of enthusiasm for the Doha meeting stands in stark contrast to the previous conferences, which were seen as the most visible signs of a new era in Israeli-Arab relations.

When Israeli and Arab leaders convened in Casablanca, Morocco, three years ago, an air of euphoria prevailed amid high hopes for the recently launched peace process.

There were similar expectations at the 1995 conference in Amman, Jordan, which focused on creating regional economic institutions.

Among the political leaders attending the Amman gathering was Prime Minister Yitzhak Rabin — just weeks before he was assassinated.

The atmosphere began to change by the time of last year's conference in Cairo.

Setbacks in the peace process and Arab concerns about Israel's recently elected Likud government prompted organizers to shift the emphasis from economic to political terms.

Ironically, the Cairo conference proved successful for the Egyptian economy. Numerous multimillion-dollar contracts for Egyptian factories were signed as a result of the conference. 

The Qataris hope to repeat that success.

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## State insurance officials probe charges firms cheated survivors

By Joel Schatz Chicago Jewish News

SKOKIE, Ill. (JTA) — Holocaust survivors and heirs of victims may be able to collect on World War II-era insurance policies — even if they have no evidence that the policies ever existed.

That prospect drew intense interest this week as insurance commissioners from several states held hearings here on recovering untold millions in rejected or unclaimed insurance benefits.

Terrell Hunt, president of Risk International Services, told the National Association of Insurance Commissioners panel that any claim-recovery effort should not focus solely on the relatively small percentage of survivors and family members who can produce documentation. Intense efforts also must be made to locate policy information that can be used to identify those who have proceeds due them, an approach he referred to as "policies looking for claimants."

Hunt said the national association could exert significant leverage, through its members' oversight of state-regulated insurance companies, to unlock potentially vast resources of information contained in insurance company archives, the records of agents and lawyers, and in German records seized at the end of World War II and now stored in Moscow.

An overlooked but potentially major source of both information and funds, Hunt said, is the reinsurance market — companies that insure primary insurers.

Many of the German, Austrian, Swiss, Italian and other companies that wrote policies prior to and during the war were reinsured through what is known as the London Market, he said. Those records, and possibly that liability, may still exist.

The Skokie hearing was the second in a series being held around the country. Another is set for Miami on Nov. 20. Sessions in Los Angeles, Seattle and New York are being arranged.

#### A mix of survivors' tales and proposals

Deborah Senn, Washington state's insurance commissioner and head of the working group holding the hearings, said her office and others have heard from many Holocaust survivors unable to collect on life, property and other types of insurance claims.

Because insurance is regulated on the state level in the United States, and many of the European insurers involved have U.S. operations, state regulators have made an unprecedented commitment to help the survivors, Senn said.

The hearing was a mix of survivors' tales, requests for help and proposals for action.

The non-payment of claims is a case of deceit and betrayal, said Charles Lipshitz, head of Sheerith Hapleitah, an umbrella group of Chicago-area survivors organizations.

Speaking by phone from Europe, Saul Kagan of the Conference on Jewish Material Claims Against Germany said his group has been in discussions with one of the largest insurers, the German-based Allianz AG Holding, and the firm has agreed to a procedure to determine what records can be examined.

"Quick response is called for," Kagan said. "It is not just a financial issue. It is a moral issue."

At the first hearing in September, Allianz issued a statement saying the company does not believe it has open life insurance claims relating to the Holocaust, but has taken steps to review its own records. At the Skokie session, the Italian firm Assicurazioni Generali distributed

press kits outlining its efforts to provide families with information on its policies, and its creation of a \$12 million Holocaust trust in Israel.

Several witnesses in Skokie, Ill., home to one of the largest concentrations of Holocaust survivors in the country, told tales of contacting insurance companies in the years after World War II and being told that the benefits or cash value of their policies had been paid to the Nazis or that the policy had been issued by Eastern European affiliates whose assets had been nationalized by communists after the war.

In either case, the company claimed it had no further responsibility or could not act until there was a change of government.

Commissioners hearing the testimony questioned whether either action relieved the companies of the responsibility to pay the designated beneficiaries. They also were interested to learn that at least some companies still had such detailed information on the policies.

## Canadian rights tribunal rules journalist did not commit crime

By Bill Gladstone

TORONTO (JTA) — A Canadian human-rights tribunal has ruled that a newspaper columnist did not violate anti-hate laws when he accused Jews of propagandizing the Holocaust for profit.

The Canadian Jewish Congress had filed the complaint against columnist Doug Collins, who wrote three years ago that Jews had orchestrated a "propaganda exercise" about the Holocaust. In a 143-page decision handed down Wednesday, the tribunal, based in the province of British Columbia, ruled that the column was anti-Semitic, but that it did not constitute hate literature.

The ruling said Collins' column "presents Jews in a negative light, as powerful propagandists and profiteers, and it depicts, in grossly inaccurate terms, the extent of their victimization in the Holocaust."

But the tribunal found that the column, offensive as it appeared, was not "hateful or contemptuous in the sense contemplated by" the British Columbia Human Rights Code. Civil libertarians hailed the decision as a victory for free speech, even while disagreeing with the opinions expressed in the column.

Michael Elterman, a spokesman for the Canadian Jewish Congress, said he was disappointed with the ruling, but added that it contained important and positive aspects.

"We expect that the decision will encourage the media, regardless of whether they be mainstream or otherwise, to act responsibly when publishing material that is likely to expose people to hatred or contempt," said Elterman.

#### O.U. files brief supporting landlords

NEW YORK (JTA) — The Union of Orthodox Jewish Congregations of America has joined a friend of the court brief supporting Alaska landlords who refused to rent apartments to unmarried couples.

The landlords involved said they do not rent the apartments because it conflicts with their religious convictions.

A federal district court earlier ruled in favor of the landlords, in part relying on the Religious Freedom Restoration Act, which the Supreme Court struck down in June. The Anchorage Equal Rights Commission appealed the ruling to the U.S. Court of Appeals for the 9th Circuit.

The O.U.'s Institute for Public Affairs joined the Christian Legal Society, the Mormon Church and the National Association of Evangelicals in the brief.