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TOP NEWS IN BRIEF

No quick settlement expected

Negotiations between Swiss banks and representatives of Holocaust survivors that began in Washington on Monday are not expected to lead to a quick settlement of Holocaust-era claims.

Switzerland's three largest banks, the World Jewish Congress and lawyers representing Holocaust victims met at the State Department for more than six hours, which some observers characterized as a positive sign.

The U.S. undersecretary of state for economics, Stuart Eizenstat, who arranged the meeting, issued a brief statement saying each of the parties had signed a confidentiality agreement and would not be commenting publicly on the talks. [Page 3]

Black-Jewish relations polled

Fewer American Jews than blacks believe that relations between the two groups have improved during the past year, according to a just-released poll.

But both blacks and Jews agree that more should be done to educate schoolchildren about slavery and the Holocaust, according to the results of the poll, which was conducted for the Foundation for Ethnic Understanding. The findings, which were released at a conference on black-Jewish relations held in New York, have a margin of error of 4 percent. [Page 4]

Mubarak hosts talks

The U.S. assistant secretary of state for Near Eastern affairs, Martin Indyk, would not comment on the state of the current American mediation effort to move the stalled peace process forward.

Indyk, who arrived in Israel over the weekend with U.S. Middle East envoy Dennis Ross, spoke with reporters after meeting with Egyptian President Hosni Mubarak in Cairo. Mubarak also held talks at his palace with Israeli Prime Minister Benjamin Netanyahu, but neither of the leaders spoke to reporters after their meeting.

Netanyahu taps Shoval

Israeli Prime Minister Benjamin Netanyahu announced that Zalman Shoval would soon return to service as Israel's ambassador to the United States. Shoval is expected to replace Elyahu Ben-Elissar next month, with Ben-Elissar being reassigned as ambassador to France. [Page 4]

NEWS ANALYSIS

Gore ventures into peacemaking, boosts outreach to American Jews

By Matthew Dorf

WASHINGTON (JTA) — Wrapping himself in the blue and white of Israel's flag, Vice President Al Gore has launched his campaign for American Jewish support.

From the dais at Jewish conferences to a Jewish day school in Washington — and now with a visit to Israel itself — Gore has begun to step out from behind President Clinton as his unofficial presidential campaign reaches out to one of the Democrats' core constituencies.

Taking a page out of the traditional Democratic political playbook, Gore has worked for years to try to shore up support in the Jewish community to pre-empt any challenger's efforts and repeat Clinton's record success with the Jewish vote and its political money.

His efforts are peaking this week, as Gore makes a visit to Israel as the United States' official representative to the Jewish state's 50th anniversary celebrations.

The trip comes as the Clinton administration's peace process team has set up a full-court press in the region to put Israeli Prime Minister Benjamin Netanyahu and Palestinian Authority Chairman Yasser Arafat back on the path toward peace.

U.S. Secretary of State Madeleine Albright has scheduled separate sessions with Netanyahu and Arafat next week in London. Depending on the result of Monday's meetings, Albright may bring Arafat and Netanyahu together for the first time since last October.

With those meetings and Gore's presidential campaign in mind, his Israel itinerary was expanded from a largely ceremonial visit to include presidential-style statesmanship.

Gore's scheduled meetings with Netanyahu and Arafat would represent the vice president's most public solo venture into the quagmire of Middle East peacemaking.

Gore's visit comes at the end of a week during which U.S. Middle East envoy Dennis Ross, joined by the assistant secretary of state for Near Eastern affairs, Martin Indyk, held a round of meetings with Israeli and Palestinian officials — and Netanyahu met with Egyptian President Hosni Mubarak in Cairo — in preparation for the May 4 meetings in London.

When asked about Gore's role in the Clinton administration's buildup to the London talks, a senior State Department official said Gore's scheduled sessions with Netanyahu and Arafat are "an important piece" of their efforts and that Gore will "offer his judgments."

Although Gore has been involved in virtually all of the high-level White House meetings with Middle East leaders — as well as the internal policy sessions — he has remained in the background until now.

With Israel and the United States disagreeing over the size of the next Israeli redeployment in the West Bank, some Democratic Party activists voiced concern that Gore could run into trouble.

Netanyahu has accused the Clinton administration of endangering Israel's security by suggesting that Israel transfer an additional 13 percent of West Bank land to the Palestinian Authority in a further redeployment.

Israel maintains that at most it can hand over 9 percent, while the Palestinians have accepted the American framework.

Gore will now for the first time become identified with a policy of "pressing Israel

MIDEAST FOCUS

Netanyahu issues warning

Israeli Prime Minister Benjamin Netanyahu warned he would retaliate if the Palestinian Authority declared a Palestinian state next year.

While refusing to spell out what steps he would take, the premier told the Foreign Press Association that Israel could not "accept the formation of a new Iraq or Iran next to our doorstep."

His statement came after Palestinian Authority Chairman Yasser Arafat reiterated over the weekend that he would declare Palestinian statehood in May 1999.

That date is the deadline for the two sides to reach a final-status agreement.

Israel barring Palestinians

Israel is banning the entry of Palestinians from the West Bank and Gaza Strip from Wednesday until Saturday while the Jewish state holds remembrances for its war dead and celebrates its jubilee, according to army sources.

The army said the Oslo accords contained provisions for such holiday closures.

Security forces in the Jewish state have been on heightened alert for a terrorist attack during the holiday period.

Israel announces reforms

Israel announced reforms that would scrap foreign currency restrictions currently imposed on Israeli individuals and businesses.

The reforms will enable Israelis to invest abroad freely for the first time ever, including in land and real estate.

Israeli citizens will also be permitted to open bank accounts abroad, hold foreign currency at home and take an unlimited amount of foreign currency out of the country.

Previously, Israelis were only allowed to take up to \$7,000 out of the country.

to take risks with its security," said Morrie Amitay, a Democrat and founder of the pro-Israel Washington PAC.

"Gore may be allying himself with a crisis or disaster. It's certainly taken the bloom off of his rose," said Amitay, a former executive director of the American Israel Public Affairs Committee, the pro-Israel lobby.

Indeed, Republicans are licking their chops at being able to attack Gore from the right on Israel.

"The Clinton administration of today is not by any stretch of the imagination the same administration of 'Shalom Chaver' fame," said Matt Brooks, executive director of the National Jewish Coalition, referring to the close relationship between Clinton and the late Prime Minister Yitzhak Rabin.

"If Gore wants to ultimately run in 2000 on the Clinton administration's record on Israel, more power to him," said Brooks, who believes that voters will come to see the White House as shifting from a mediator's role to one of pressuring Israel.

But it is Gore's longtime record of support for the Jewish state — from his days as a member of Tennessee's congressional delegation to the Senate and now the White House — that many political operatives say gives the vice president a unique voice in the debate.

"Who has more credibility than he to go to Israel at this moment of high drama" in the history of the modern state of Israel and in the peace process, said Steve Grossman, chairman of the Democratic National Committee and former chairman of the American Israel Public Affairs Committee.

In an interview after a White House ceremony this week honoring Israel's 50th anniversary, Grossman confidently predicted that Gore will "continue to earn the respect and admiration of the American Jewish people."

In fact, some American Jewish leaders were privately urging Netanyahu to give Gore a diplomatic victory during their meetings this week.

Netanyahu is also looking for a signal from Gore, according to a senior Israeli official in Washington.

"There's always a need for confidence building and right now Israel needs some confidence building, too," he said.

And this is where Gore's increased visibility may come in handy, many activists said.

"There's a chemistry between Gore and Netanyahu that dates back to the early 1990s," said one Jewish official.

"It would be an overstatement to call it a back channel, but they've certainly had conversations," he added.

With Gore's trip being viewed by many activists through the political lens, the White House sidestepped a potential landmine this week when it decided to shift a planned Gore meeting with Arafat.

Wanting to inject Gore into the peacemaking role, his staff considered an Arafat meeting on Friday, the second day of Israel's Independence Day celebrations, which Palestinians refer to as the "catastrophe."

With Palestinians planning to hold anti-Israel demonstrations outside the Gore-Arafat meeting and with Israeli and Jewish officials expressing opposition to the timing of the meeting, Gore's staff ultimately scheduled a return trip on Saturday from Saudi Arabia to Israel so the vice president could meet with Arafat in the Palestinian-controlled city of Ramallah in the West Bank.

The vice president will continue on to Egypt before returning to Washington after the weekend.

With the controversy diffused, Gore was able to concentrate on celebrating Israel's milestone.

Last Friday, at his request, Gore met with students at a Jewish day school in Washington — and he previewed the message to the Israelis in a speech at this week's White House ceremony honoring Israel.

"Our ties are far deeper, forged by an iron-clad commitment to Israel's security and well-being, to combating terrorism, to stopping the spread of weapons of mass destruction and to achieving a just, lasting and comprehensive peace with security," Gore said. □



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Caryn Rosen Adelman, *President*
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JEWISH WORLD

Clinton urges evangelicals

President Clinton urged Christian evangelical leaders to withdraw support for pending legislation that aims to reduce religious persecution overseas.

The Freedom From Religious Persecution Act, which some Jewish groups support, would require the president to impose trade and aid sanctions against repressive regimes — a provision Clinton said would straitjacket the administration's foreign policy.

The measure, approved last month by the House International Relations Committee, is expected to go to the House floor for a vote soon.

O.U. hails Senate action

The Orthodox Union hailed passage by the U.S. Senate of a bill creating tax-free savings accounts for education expenses, including tuition at private or religious schools.

President Clinton threatened to veto the bill, which first must be reconciled with a version passed by the House of Representatives. While most Jewish groups oppose the legislation, the O.U. hailed it as "a historic step toward reforming America's education system."

Greek Jews seek help

Jewish leaders in Athens asked Greek authorities to help secure their main offices after a firebombing by a pro-Palestinian group. Two firebombs caused minor damages to the offices last week.

Moses Constantinis, president of the Central Board of Jewish Communities, said the group asked the government to reinstate the 24-hour security that was removed in 1993.

Extremist sites pulled

A Canadian company pulled the plug on the Web sites it hosts for right-wing extremist groups.

The president of Fairview Technology Center denied that he had bowed to pressure from human rights activists, who have dubbed Oliver, British Columbia — the town in which Fairview is located — the "Hate Capital of Canada."

Among the sites hosted by Fairview was one for a French neo-Nazi group that had allegedly contained death threats against Jews and European human rights activists.

Russian translation canceled

A publishing house in St. Petersburg, Russia, canceled its plans to issue a Russian translation of author Salman Rushdie's 1989 book "The Satanic Verses."

The decision came one day after Islamic leaders in Russia made an unspecified threat to the publisher if the translation were issued.

Negotiators mum on talks to resolve claims against Swiss

By Daniel Kurtzman

WASHINGTON (JTA) — Talks to resolve claims stemming from Swiss actions during World War II have opened — but no quick settlement is in sight.

The first round of talks, held in Washington under U.S. State Department auspices, comes on the heels of a pledge last month by Switzerland's three largest banks to negotiate a settlement that could end three multibillion-dollar class-action lawsuits and boycott threats by U.S. states and cities.

Representatives of Swiss Bank Corp., Union Bank of Switzerland and Credit Suisse, the World Jewish Congress and class-action lawyers met for more than six hours Monday in what some characterized as a positive sign.

But for now, neither side is talking. The U.S. undersecretary of state for economic affairs, Stuart Eizenstat, who arranged the meeting, issued a brief statement saying each of the parties signed an agreement not to comment publicly on the talks.

"This is a process that is complicated and will take some time," said Eizenstat, the Clinton administration's point man on Holocaust restitution issues.

Since reaching an agreement in principle last month to start negotiations, the two sides have been deeply divided over what assets should even be on the table.

Jewish officials want the banks to agree to a global settlement — a lump sum payment covering bank deposits, insurance policies, confiscated real estate, artworks and other looted assets, as well as compensation for slave labor. The banks, however, say they are only willing to address those claims related to the banks themselves.

The other claims could be passed along to the Swiss government, which remains opposed to the idea of a global settlement and is not a direct party to the negotiations. A representative of the Swiss banks said, however, that the banks do not intend to discuss any liabilities of the Swiss government or the Swiss National Bank.

The banks, meanwhile, find themselves in a precarious position back home. Some Swiss observers are questioning whether the banks might be stabbing the rest of the country in the back by arranging their own settlement. Jewish officials say it is not their concern how the Swiss decide to reconcile that issue.

"It makes no difference whether the check comes from Union Bank of Switzerland or the Swiss National Bank," one source close to the negotiations said.

As for the amount of the check, Jewish officials have declined to specify what they want, though some sources have said an appropriate settlement could range between \$1 billion and \$3 billion. The negotiators are expected to reconvene next week.

In a related development this week, the State Department postponed until later this month the release of a new report about gold transactions between Nazi Germany and wartime neutrals. A follow-up to a report released last year that focused largely on Switzerland's wartime financial dealings, the report is intended in part to deflect criticism of Switzerland onto other neutral countries that traded in Nazi loot. □

Israel remembers fallen soldiers

JERUSALEM (JTA) — A somber mood fell over Israel as the nation held annual observances for those who fell in defense of the Jewish state.

A one-minute siren and official ceremony at the Western Wall Plaza on Tuesday evening signaled the start of Remembrance Day, held annually on the day preceding Independence Day.

"We can be proud of our achievements, but we must remember the heavy price paid by our sons and fathers, brothers and sisters, and daughters, who fell in the defense of the state," President Ezer Weizman told those gathered for the ceremony.

Since 1947, 18,748 Israelis have died defending Israel, and 77,126 have been disabled. Restaurants and places of entertainment closed early for the day of remembrance. Radio stations broadcast subdued music and regular television schedules were pre-empted for special programming, which included a broadcast of the names of those who have died in Israel's wars. □

Georgian theater group defies court order to leave synagogue

By Lev Krichevsky

MOSCOW (JTA) — A theater troupe in the former Soviet republic of Georgia is preventing the Jewish community from regaining possession of a historic synagogue.

Last year, Georgia's Supreme Arbitrage Court ruled that the synagogue should be returned to the Jewish community, but the troupe, which is currently housed in the building, is refusing to leave.

Georgian President Eduard Shevardnadze has weighed in on the matter, ordering the mayor of Tbilisi to locate another building for the theater. But the mayor, who is backing the troupe, has yet to follow the court order and the presidential directive.

The dispute mars what has been a long-standing tradition of friendship between Georgia and its Jewish community, which once totaled about 100,000 and has now dwindled to 15,000.

Earlier this year, Georgia celebrated 26 centuries of Jewish settlement in the republic, and Shevardnadze said the government would sponsor a large-scale event commemorating Jewish life in Georgia in September.

But Georgia's chief rabbi, Ariel Levin, said that while the coming celebration is significant, the community will never accept that its religious property was taken away.

Last month, Levin wrote a letter to Shevardnadze, expressing his concern regarding the troupe's refusal to vacate the building.

The theater has spent thousands of dollars on renovations, which is the major reason behind the group's reluctance to leave, Levin said in a telephone interview from Tbilisi.

At a meeting of the commission preparing this fall's Jewish celebration, Shevardnadze said he believed the Jewish community was the legal owner of the building.

The building was erected in the late 19th century as an Ashkenazi synagogue. In the 1930s, it was transformed by Soviet authorities into a workers club, and later into a movie theater.

The troupe that moved into the former synagogue six years ago has maintained that the Jewish claim is baseless and is appealing the court's decision. A commission created by Shevardnadze to solve the conflict is expected to rule on the matter soon.

But Jewish activists fear that the decision may be unfavorable because the commission does not include any Jewish representatives. Jewish community activists say Georgian media reports have created the impression that the Jewish community has no valid claim on the building.

Jewish leaders, once optimistic, now say the future of the building remains unclear. "I don't know whether the dispute will ever be over," said Levin. "The synagogue is ours" on paper, "but we can't use it." □

Poll of Jews, blacks yields mixed numbers

By Rebecca Segall

NEW YORK (JTA) — Fewer American Jews than blacks believe that relations between the two groups have improved during the past year, according to a new national survey.

But both blacks and Jews agree that more should be done to educate schoolchildren about slavery and the Holocaust, according to the results of the poll, which was conducted for the New York-based Foundation for Ethnic Understanding.

The findings, which were released Tuesday at the second annual conference on black-Jewish relations at Yeshiva University in New York, have a margin of error of 4 percent for each subgroup.

For the foundation's president, Rabbi Marc Schneier, the most important finding was the response to the question: "In the past year, has the relationship between African Americans and Jews gotten better or worse?"

Some 43 percent of the Jews and 53 percent of the blacks agreed that the black-Jewish relations in the United States have "gotten better." About 17 percent of Jews and 13 percent of blacks said the relationship had "gotten worse." The remainder said they did not know.

Other findings of the survey include:

- Some 69 percent of Jews and 59 percent of blacks say the two groups should form a partnership to work on civil rights issues.
- Some 59 percent of Jews and 61 percent of blacks agreed that public schools do not teach enough about the Holocaust. About 49 percent of Jews and 71 percent of blacks said the same about teaching about slavery.

- Sixty-one percent of blacks agreed that African Americans can do more to silence members of their community who preach or promote anti-Semitism.

- Thirty-six percent of Jews agreed that Jews should devote a larger share of their resources to improve the well-being of blacks in the United States.

Schneier said that these results contradict the general perception that relations between the two minority groups are in a state of decline. Martin Luther King III, newly elected president of the Southern Christian Leadership Conference, participated in the conference as well. □

Netanyahu appoints Shoval

JERUSALEM (JTA) — A veteran Likud diplomat will soon return to service as Israel's ambassador to the United States.

Israeli Prime Minister Benjamin Netanyahu announced Tuesday that he had chosen Zalman Shoval for the Washington posting to replace Eliyahu Ben-Elissar, who will be reassigned as ambassador to France.

Ben-Elissar will replace Ambassador Avi Pazner, who is completing his assignment in Paris.

Netanyahu stressed that he had "full confidence" in Ben-Elissar — a comment that stands in contrast to the chilly relations the two are believed to have. Last year, Netanyahu was reportedly considering replacing Ben-Elissar, a move headed off by then-Foreign Minister David Levy.

Shoval served in the Knesset from 1970 to 1981, and again from 1988 to 1990.

That year, Shoval, who is considered a moderate within the Likud Party, was appointed to be Israel's ambassador to America under the government of Yitzhak Shamir.

During that period, U.S.-Israeli ties were repeatedly strained over the issue of American loan guarantees and Shamir's hawkish stand on the peace process. □