



Daily News Bulletin

Vol. 76, No. 92

Thursday, May 21, 1998

81st Year

TOP NEWS IN BRIEF

Premier sought \$1 billion

Israeli Prime Minister Benjamin Netanyahu told his Cabinet that he had asked the United States for \$1 billion in assistance to help cover the costs of a further redeployment in the West Bank if and when an agreement is reached for a pullback.

Israel Television reported that the money would be used to build bypass roads and finance the dismantling of army bases.

UJA-CJF merger accelerated

A full merger of the United Jewish Appeal and the Council of Jewish Federations is expected to be completed by the end of March 1999, if not sooner.

The decision to speed up the merger between the central U.S. fund-raising organizations was made by a joint operating committee that is overseeing the current partnership between the two organizations.

The body also unanimously decided to have the United Israel Appeal join the partnership. A meeting of the local federations and the partnership is being planned this summer to determine the governance structure of the new entity.

E.U. plans to discuss Israel trade

The 15 foreign ministers of the European Union are slated to meet Monday to discuss whether Israel should continue receiving trade privileges for products exported from eastern Jerusalem and the Golan Heights or from settlements in the West Bank and Gaza Strip. [Page 4]

Swiss blast N.J. vote

Swiss officials blasted a vote by the New Jersey legislature calling for the divestiture of the state's holdings in Swiss banks that may be withholding accounts opened by Holocaust victims. A Swiss government spokeswoman said the vote was "unfair and counterproductive." Bank and government officials in Switzerland said it was premature to discuss retaliation because the divestiture bill still had to be passed by New Jersey's senate and signed by the governor.

Because of the Memorial Day holiday, the JTA DAILY NEWS BULLETIN will not be published Monday, May 25.

NEWS ANALYSIS

Israel weighs ramifications of India's defiant nuclear tests

By David Landau

JERUSALEM (JTA) — Israeli policymakers are treading warily around the potential pitfalls posed for the Jewish state by India's nuclear tests.

While Israel shares the world's fears of a dangerous atomic arms race between India and Pakistan — fears heightened this week by reports of an imminent nuclear test by Pakistan — there are aspects and repercussions of the ominous conflict in the Indian subcontinent that create special challenges for Jerusalem.

Foremost among Israel's concerns is the long-standing fear of an "Islamic bomb" — particularly one in the hands of an extremist state like Iran or Libya.

This apprehension is not new, of course, just as the knowledge of India's and Pakistan's nuclear weapons potential has existed in the world's strategic consciousness for more than a quarter of a century.

Israel has long been concerned that in Pakistan's quest to achieve nuclear parity with its larger neighbor, it will turn — or has turned — to rich Muslim states for cash aid and, where available, for brainpower and technology transfers.

There have been scenarios under discussion here in which Libya or Iran request a quid pro quo for such help in the form of subsequent cooperation from Pakistan, also a Muslim country, that would in effect equip them with a finished weapon.

A variation on this scary prospect has Pakistani personnel, motivated by religious and pan-Islamic as well as mercenary considerations, participating in Muslim military action against Israel.

Israeli observers say the fear of Iran acquiring nuclear weapons is the foremost concern of the U.S. administration as well.

They say it accounts for the severity with which President Clinton has reacted to India's actions and the energy he is investing in trying to head off a response from Pakistan.

These observers say the president is determined to demonstrate that nuclear proliferation will be painfully punished, in the hope that the lesson will be learned in Iran and Libya.

Beyond the Islamic spillover effect, however, Israel is troubled by two other ramifications of the stepped-up arms race on the subcontinent that could affect the Jewish state.

Israel, India and Pakistan are the only three countries which are commonly believed to have nuclear weapons capability that are not signatories to the Non-Proliferation Treaty.

In addition, all three countries have, for different reasons, adhered to a policy of deliberate vagueness in all public pronouncements connected to their nuclear capabilities.

Prime Minister Benjamin Netanyahu adhered closely to this long-standing policy this week.

Asked on American television for his reaction to the news that India had detonated five underground nuclear tests, he immediately reiterated that "Israel will not be the first state to introduce nuclear weapons into the Middle East."

The meaning of that statement? Make what you want of it, Netanyahu advised his questioners.

But with India under its new Hindu nationalist government boldly deciding to step

MIDEAST FOCUS

U.S. may admit defeat

The day is "not far off" when the United States will have to admit that it was unable to restart the Middle East peace process, according to the U.S. State Department spokesman.

James Rubin added that no talks were currently scheduled with Israeli or Palestinian leaders and that Middle East envoy Dennis Ross had no immediate plans to return to the region.

Sharansky visiting Moscow

Israel's trade minister, Natan Sharansky, left for Moscow to discuss the supply of Russian missile technology to Iran.

Israel Television reported that the invitation coincided with a scheduled U.S. Senate debate on sanctioning Russian firms which sell military technology to Tehran.

Israeli media suggested that Russian officials hoped to have Sharansky convince Israel and the United States that Moscow was taking steps to stop such sales.

Knesset considers Deri immunity

A Knesset committee began considering whether to lift the parliamentary immunity of Aryeh Deri.

Deri, the leader of the fervently Orthodox Shas Party, would then stand trial for allegedly channeling funds to Shas-affiliated institutions during his terms as Israel's interior minister and director general of the ministry.

Deri told the committee he would not oppose lifting his immunity if the attorney general agreed to put off the indictment for the public offenses until after the conclusion of his current trial for financial irregularities as a private citizen.

But Attorney General Elyakim Rubinstein refused, saying he was concerned that the statute of limitations for the new charges could expire in the interim.

out of the nuclear closet, and Pakistan threatening to do likewise, observers here are wondering how long the Jewish state's option of nuclear vagueness will remain available.

There could be, as a consequence of the world's sudden interest in the danger of proliferation, a reawakening of international pressure — on all three recalcitrants — to come clean and sign onto the Non-Proliferation Treaty.

Israeli policymakers, regardless of their political affiliation, are almost unanimous in their belief that Israel cannot afford to relinquish the vagueness posture — at least as long as the Israeli-Arab conflict remains unresolved.

Indeed, in a readily understandable paradox, it is often the staunchest soft-liners on Israel's hawk-dove spectrum who are the toughest proponents of Israel jealously guarding its nuclear capacity as the surest guarantee of its security.

These doves believe that all progress made in the peace process rests ultimately on the Arab realization that Israel is ineradicable — in no small part thanks to their perception that the Jewish state has the ultimate weapon at its disposal.

On a more immediate and tactical level, Israeli officials are concerned that the country's relatively recent but burgeoning relationship with India in the sphere of military cooperation could fall victim to American sanctions.

This week, a delegation from Israel Aircraft Industries was visiting India in the hope of promoting military sales between the two countries.

Israel's proven expertise in aircraft maintenance and refurbishment is of particular interest to New Delhi, with its large but aging fleet of Soviet-made warplanes.

Israeli officials hope that signed contracts can be implemented without interference, despite Washington's anger at India.

But they say that if the United States is adamant about sanctions, the Israeli defense establishment could hardly enter into new contractual relationships with India.

For the moment, consultations among various government ministries and agencies in Israel have resulted in a decision not to rush into a knee-jerk endorsement of the American declaration of sanctions.

Further down the road, Israeli officials realize, some deft diplomacy will be required to keep all of these business dealings afloat.

Finally, the Indian decision to go public could well result in increased international pressure on Israel to free its famous atomic spy, Mordechai Vanunu.

Vanunu, a technician at the nuclear reactor in Dimona, was not really a spy in the classical mold.

Vanunu gave detailed information in 1986 on the workings of the plant to the London Sunday Times because, as he has consistently maintained, he believes Israel should disarm unilaterally.

But he was sentenced to 18 years for passing secrets to the enemy, and earlier this month a review board refused to commute his sentence by one-third, as is usually the case for well-behaved prisoners.

Vanunu's cause has been taken up by pacifist and leftist groups around the world. His imprisonment until this year in solitary confinement has come in for strident criticism both within Israel and abroad.

India's decision to forgo the comfortable protection of vagueness in its nuclear stance will certainly provide ammunition for the worldwide pro-Vanunu movement to argue that his crime looks less heinous — especially now that the walls of vagueness may be crumbling. □

Report: 58-year-old Israeli pregnant

JERUSALEM (JTA) — A 58-year-old Israeli woman has become pregnant after an egg she purchased from a donor was fertilized with frozen sperm from her dead husband, according to an Israeli newspaper report.

The Israeli daily Yediot Achronot reported that the woman, Sima Harmon, succeeded in getting pregnant five months ago.

Her husband of 37 years died in 1995.

Harmon would become one of the oldest women ever to give birth in the Jewish state. □



Daily News Bulletin

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JTA DAILY NEWS BULLETIN is published five days a week, except holidays, by the Jewish Telegraphic Agency Inc., 330 Seventh Ave., New York, N.Y. 10001-5010. For information about how to subscribe by e-mail, fax or regular mail, call (212) 643-1890, or visit our Web site at www.jta.org.
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JEWISH WORLD

Palestinian broadcasters cited

The United States should cease its support for the Palestinian Broadcasting Corporation, 62 members of Congress said in a letter to U.S. Secretary of State Madeleine Albright. The letter, which has been circulating the past month in Congress as part of a Republican-led effort, cites what it charges is the corporation's continued support of violence and terrorism against Israel. Since 1994, the corporation, which runs a television and radio station, has received about \$500,000 from various U.S. federal agencies.

Iran gloats over U.S. move

The United States "finally bowed down to pressure from the European Union" when it waived sanctions against three foreign countries doing business in Iran, the official Iranian news agency said.

Meanwhile, a communique from the Tehran government called on the United States to repeal a 1996 law that calls for punitive trade measures against companies investing in Iran's oil sector. The law is intended to deter Tehran's efforts to develop weapons of mass destruction and promote terrorism. Some American Jewish groups criticized the Clinton administration for waiving the sanctions.

Y.U. student disappears

A 19-year old student at Yeshiva University in New York disappeared, leaving his family and police baffled. Joshua Bender was last seen at the university on May 12. His parents and the police inspector in charge of the case spoke about the disappearance at a news conference at the campus. The Jewish community of Fair Lawn, N.J., Bender's hometown, is planning to offer a \$10,000 reward for his return.

Jewish lawmakers win primaries

Sen. Arlen Specter (R-Pa.) and Rep. John Fox (R-Pa.), two Jewish members of Congress, appeared to have defeated their primary challengers in their re-election bids.

Meanwhile, Marjorie Margolies-Mezvinsky won the Democratic race to be Pennsylvania's lieutenant governor. But the former congresswoman, known for casting the deciding vote in Congress for President Clinton's 1993 deficit-reduction package, is not expected to triumph in November's general election.

Religious rights examined

The American Jewish Congress and the Anti-Defamation League told the U.S. Commission on Civil Rights that religious coercion in public schools threatens to undermine the values of American democracy. The testimony came as part of a public fact-finding hearing examining current issues and disputes involving religious rights and public schools.

Pollard upbeat after Israel acknowledges he was its spy

By Stewart Ain

New York Jewish Week

NEW YORK (JTA) — For perhaps the first time, Jonathan Pollard was letting himself think aloud about his future in Israel — as a free man in the country for which he has spent 13 years in prison as a convicted spy.

"I am president of Israel Energy Systems Ltd., a company I created several years ago that will produce alternative sources of energy and desalinated water," Pollard said last week in a phone interview from the federal prison in Butner, N.C., where he is serving a life sentence for spying for Israel. "I want to make Israel energy-independent and to provide enough water so that the problem of sharing it with Jordan will become a thing of the past."

Pollard's upbeat words came on the heels of Israel's admission last week that he had been an Israeli agent when he was arrested in Washington in November 1985. Pollard, who was denied sanctuary in the Israeli Embassy as federal agents closed in on him, had until last week been disowned by the Israeli government.

"Over the course of the past 13 years, there have been numerous high-ranking American officials who have indicated to me and to the government of Israel that there could be no resolution of this affair so long as Israel refused to acknowledge both my actual status as an agent, as well as its own responsibility for my activities," said Pollard. "Now that it has done so, the basis for an equitable resolution to my affair is at hand."

Asked why it took so long for the admission, Israel's consul general in New York, Shmuel Sisso, said: "The people who activated him were not authorized to do so and therefore it took so long. And it was a delicate matter because of our friendship with the U.S. and the Jewish community here."

A former chairman of the Conference of Presidents of Major American Jewish Organizations, Seymour Reich, called the Israeli action "a major breakthrough."

Last week's statement "puts the full weight of the Israeli government behind the request for his release," Reich said. "The ball is now in the president's court," referring to Clinton's power to commute Pollard's life sentence.

The national director of the Anti-Defamation League, Abraham Foxman, said he, too, hopes Israel's admission will lead to Pollard's release and that he wishes Pollard had been released years ago. "It would have put things in perspective and perhaps led to closure. I believe the majority of American Jews would be very pleased to see Jonathan in Israel on its 50th anniversary," Foxman said.

Reflecting on his work as an Israeli agent, Pollard, 43, said he was offered the job after first volunteering to provide Israeli authorities with secret information about the activities of Arab countries he had access to as a U.S. Navy intelligence analyst.

"I started off in 1984 as a volunteer who basically wanted to right what I thought was a horrendous wrong being done to Israel," he said. "I worked without pay for over six months and then, during the course of 1985, I was gradually transformed into a full-fledged agent."

Pollard said he received "an Israeli passport and a code name, Danny Cohen," and began determining what information should be collected.

"I was good at what I did, but the bottom line is I never should have started. I should have made aliyah before I broke the law," he said.

Asked why he agreed to become a paid agent, Pollard said: "I was so scared about what was being withheld, and the more I dug, the more horrified I became about the extent of the betrayal."

He said the documents he was providing Israel contained material the United States had explicitly promised not to withhold from the Jewish state. But Pollard said he now recognizes that it was wrong to have taken it upon himself to provide that material.

"I should have gone to somebody, perhaps someone in the House or Senate intelligence committees, to correct the problem. I let my fear get the best of me," he said. □

Gingrich could spark fireworks when he arrives in Jewish state

By Daniel Kurtzman

WASHINGTON (JTA) — U.S. Speaker of the House Newt Gingrich (R-Ga.) is promising to spark some fireworks when he heads to Israel this week.

He said that he plans to visit the site of the future U.S. Embassy in Jerusalem and declare that it is time to break ground. Gingrich and Democratic Majority Leader Richard Gephardt (D-Mo.) are slated to lead a congressional delegation to Israel Friday in celebration of its 50th anniversary.

Their group is one of several congressional delegations planned during the next week. All told, at least 27 lawmakers are expected to visit the Jewish state this week and next.

Speaking to pro-Israel activists on the front steps of the U.S. Capitol on Tuesday, Gingrich said, "The time has come to break the ground, to build the building and expect that self-determination means that the people of Israel get to decide where their government sits."

In a show of support for Jerusalem as the capital of Israel, the U.S. Congress passed legislation in 1995 to move the U.S. Embassy from Tel Aviv to Jerusalem. The Clinton administration, however, has said that moving the embassy now would complicate the peace process.

"The people of Israel," Gingrich added, "get to ask where our ambassador should be. And they have chosen Jerusalem, and we should be appropriately responsive."

Gephardt, speaking to Jewish journalists on a conference call Wednesday, said he would probably take part in a visit to the future site of the embassy. "This is not a new idea," Gephardt said, pointing to the legislation adopted by Congress.

But he added: "I don't think we should begin the building of an embassy regardless of what's happening."

The legislation calls for the establishment of the embassy by May 1999, but also contains a waiver allowing the president to delay the move in six-month intervals if he deems that such action would compromise U.S. national security interests.

Some Jewish groups sharply criticized the planned visit to the embassy site.

Americans for Peace Now sent a letter to lawmakers urging them not to participate in a "unilateral U.S. action that jeopardizes the delicate negotiations and risks Israeli security." Privately, some Jewish officials said the proposed move smacks of grandstanding on the part of the U.S. lawmakers and expressed concern about such action at a sensitive time for the peace process.

Other groups applauded the proposed visit as an important symbolic gesture. The Zionist Organization of America said the lawmakers' presence there would "expose the fact that President Clinton is violating U.S. law, which requires him to have already begun building the embassy."

Morton Klein, the group's president, rejected claims that such a move would complicate the peace process because it is on land in Jerusalem that is not under dispute.

The congressional delegation plans to meet with top Israeli officials to discuss a range of issues, including peace negotiations, security concerns, missile defenses and economic cooperation, Gingrich said. The delegation's itinerary is not yet set, but officials said they were trying to set up meetings with Palestinian Authority

Chairman Yasser Arafat, and with Jordan's King Hussein during a stop in Amman.

The trip comes at a delicate time for the long-stalled peace process. The Clinton administration has been pushing Israel to accept a U.S. plan that calls for Israel to pull back from a further 13 percent of the West Bank in exchange for a series of Palestinian steps to crack down on terrorism. Some congressional Republicans and Democrats have been critical of the administration's efforts to advance the plan in a way that seems to pressure Israel.

Speaking at the rally sponsored by the American Israel Public Affairs Committee, Gingrich denounced what he termed U.S. pressure tactics and emphasized that Israel should be allowed to decide its own future.

"The right of self-determination is what makes the State of Israel unique in the last 2,000 years of Jewish history, and that right of self-determination has to be defended at all costs — even against the best intentions of some of Israel's friends, including the United States," he said.

Addressing the same crowd, Gephardt, who is exploring a run for president in 2000, echoed a similar theme: "Friends do not give ultimatums. Friends do not dictate." □

Israel warns European nations to not boycott settlement goods

By Naomi Segal

JERUSALEM (JTA) — Israel has warned the European Union that boycotting certain Israeli goods would jeopardize any possible European role in the peace process.

The E.U.'s 15 foreign ministers are slated to meet Monday to discuss whether Israel should continue receiving trade privileges for goods produced in eastern Jerusalem and the Golan Heights or from settlements in the West Bank and Gaza Strip. E.U. nations do not consider the four areas a part of Israel.

Netanyahu said this week that threats to exclude such products were "a sign of bias against Israel."

A boycott would "put an end to any attempt of the European Union to have any kind of facilitating role in the peace process," Netanyahu said. "It will immediately tell us that the European Union is not in fact a facilitator of equal standing and equal sympathies, but in fact is a one-sided player."

In Brussels, the E.U. issued a sharp response, saying it would not accept political lectures from Israel. An E.U. spokesman said the boycott recommendation was aimed at suspected violations of trade privileges, and had nothing to do with the peace process.

Meanwhile, Israel's finance minister, Ya'acov Ne'eman, said he had been reassured by E.U. officials that Europe had no plans at this time to remove the trade privileges.

The boycott threat comes as leaders of the world's major industrialized states expressed "deep concern" at the continuing stalemate in the peace process.

"We strongly support the efforts to gain the agreement of the parties to a package of constructive and realistic ideas which have already been presented by the United States," including an Israeli redeployment in the West Bank, the leaders of the G-8 nations declared in a communique Sunday at the end of their summit in Birmingham, England. □

(JTA correspondent Joseph Kopel in Brussels contributed to this report.)