



# Daily News Bulletin

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81<sup>st</sup> Year

## TOP NEWS IN BRIEF

### Two Israelis killed in Lebanon

Hezbollah guerrillas killed two Israelis in the southern Lebanon security zone.

The deaths of Staff Sgt. Yehuda Salem and Staff Sgt. Avraham Limoy, part of a new round of violence in southern Lebanon, came as an official with the militant Islamic group said it would continue to attack the "Zionist enemy."

The casualties came after a week of tensions in southern Lebanon in which four soldiers with the Israel-allied South Lebanon Army were killed and several Lebanese civilians wounded by Hezbollah fire.

### Russia's religion law debated

A group that monitors human rights in the former Soviet Union is questioning President Clinton's decision to allow continued aid to Russia because Moscow is not carrying out a law that would restrict religious freedom there.

The Union of Councils for Soviet Jews said there are numerous examples where the law has been used to deny freedom of religious expression. The law, passed last September, imposes a variety of restrictions on faiths that have not been active in Russia for at least 15 years.

### Tudjman meets Sakic

Croatian President Franjo Tudjman met with former Croatian concentration camp commander Dinko Sakic on a recent visit to Argentina. Croatia has been granted the extradition of Sakic, who headed the Jasenovac camp during World War II, but has yet to send a team to take him there.

### Court rules on prayer

A U.S. court said high school graduation ceremonies may include student-led prayers.

In making the ruling, the 9th U.S. Circuit Court of Appeals upheld a rural Idaho school district's policy of allowing the top students in each graduating class to decide whether to have prayers at graduation. The ruling is binding upon nine western states.

Because of the Shavuot holiday, the JTA DAILY NEWS BULLETIN will not be published Sunday, May 31 or Monday, June 1.

## NEWS ANALYSIS

### Congress, Jewish groups concerned over Iran policy

By Daniel Kurtzman

WASHINGTON (JTA) — The Clinton administration has come under intense fire from some members of Congress and Jewish groups for what they say is a demonstrable failure to contain Iran.

The criticism comes in the wake of President Clinton's increasing reliance on diplomacy rather than sanctions aimed at curtailing Iran's development of ballistic missiles and nuclear weapons.

The administration has faced "steep obstacles" in its efforts to curb Iranian weapons development, including a lack of cooperation from European allies and considerations about bilateral relations between the United States and Russia, said Jason Isaacson, director of the American Jewish Committee's Washington office.

"All that is understood," Isaacson said. "But there must be principles that you maintain regardless of the difficulty, and I would hope that non-proliferation in inherently unstable regions is one of those principles."

U.S. and Israeli intelligence reports have concluded that Iran is close to developing the ability to launch ballistic missiles equipped with chemical, biological or nuclear warheads that would be capable of reaching Israel and other states in the Middle East.

When visiting the United States earlier this month, Israeli Prime Minister Benjamin Netanyahu said the world should be as worried about the possibility of Iran developing a nuclear weapon as it was with India's nuclear tests.

In Washington, Congress has been urging the administration to sanction foreign firms that are helping Iran's weapons development program by transferring technology or providing hard-cash investments in the Islamic republic's energy sector.

In a move welcomed by many American Jewish activists, the Senate voted 90-4 last week to impose sanctions on Russian companies that are exporting missile technology to Iran. The House adopted a similar measure last year in a voice vote.

But Clinton has promised to veto the bill, saying it would undermine efforts to address the issue with Russia through diplomatic channels. The administration told Congress last week that Russia had made progress in controlling exports of missile technology and needed more time to put a tough nuclear non-proliferation policy in place.

Lawmakers, however, have been highly critical of the administration's policy on missile and nuclear technology transfers. Sponsors of the measure said they were tired of waiting for Clinton's diplomatic approach to produce results. They also questioned whether the Russian government even has the capability to stop the exchange from occurring.

The bill's passage came just days after Clinton drew criticism for deciding to waive sanctions against European companies that are doing business with Iran.

A law known as the Iran-Libya Sanctions Act, signed by Clinton in 1996, calls for punitive trade measures against companies investing in Iran's energy sector.

But after meeting with European leaders at the G-8 summit of industrialized nations, Clinton decided last week not to impose sanctions against the French company Total, Russian gas giant Gazprom and the Malaysian state oil company Petronas, all of which have entered into a \$2 billion deal to develop an Iranian offshore gas field.

The European Union staunchly opposed any attempt to apply U.S. law to foreign companies, and Clinton agreed to waivers of the so-called ILSA sanctions in exchange

## MIDEAST FOCUS

### Premier visits Shanghai

Israeli Prime Minister Benjamin Netanyahu concluded his trip to China with a trip to Shanghai, where he visited a synagogue and a memorial to the thousands of Jewish refugees who fled there to escape the Holocaust. At a meeting with Shanghai's mayor, Netanyahu thanked the city for its role in harboring Jewish refugees.

### Did contractor warn of collapse?

The contractor of the bridge that collapsed at the Maccabiah Games in Israel last summer told a policeman minutes before the bridge collapsed that no more than 100 to 150 people could be on the bridge at a time, according to the policeman. The policeman's testimony came at a trial of five people who are charged with negligence surrounding the bridge's collapse, which killed four Australian athletes and injured dozens.

### Court orders editors reinstated

An Israeli court ordered the new director of the Israel Broadcasting Authority to reinstate two television news editors whom he had ordered removed from their jobs. The disciplinary actions followed an apparently doctored report in which Prime Minister Benjamin Netanyahu appeared to encourage chants of "Death to Arabs" when he appeared at a rally of supporters of the Betar Jerusalem soccer team.

### Legislator: Stop Yassin's return

A senior Likud official called on Israel not to allow Hamas leader Sheikh Ahmed Yassin to return to the Gaza Strip. Uzi Landau, the chairman of the Knesset's Foreign Affairs and Defense Committee, said Yassin exploited a trip abroad for medical treatment to drum up support for terrorism against Israel. Yassin was released from an Israeli jail in October in exchange for the release of two Mossad agents following a failed attempt to assassinate a Hamas leader.



## Daily News Bulletin

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for a pledge from E.U. countries to step up cooperation against terrorism and tighten controls to prevent Iran from acquiring weapons of mass destruction.

A number of lawmakers and Jewish officials say that, taken together, the Clinton administration's lack of progress on the Russian front and reluctance to follow through with the ILSA sanctions underscores the administration's poor record on Iranian containment.

Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said that while the administration has made a "good-faith effort" to address the issue, "there has been no real success."

Phil Baum, executive director of the American Jewish Congress, agreed that the administration's overall efforts along those lines have been a "matter of great promise and no fulfillment."

The concern over Russia stems from reports that Russian scientists and engineers have been helping develop the engine and guidance system of an Iranian missile and that the Russian space agency provided wind-tunnel testing for the rocket fuselage.

Some experts believe the damage may have already been done — that Iran may have acquired from foreign sources the requisite technology and it now may just be a matter of piecing everything together.

American and Israeli intelligence reports indicate that, by the end of 1999, Iran will test a prototype medium-range ballistic missile capable of carrying chemical, biological or nuclear weapons to a range of 1,000 miles.

The legislation adopted by Congress last week would require the president to submit a report to Congress identifying the companies, research institutes or other entities where there was "credible evidence" that technology was transferred to Iran to aid in ballistic missile development.

It would deny them arms export licenses and eliminate all U.S. assistance for two years. The president would be allowed to waive sanctions for reasons of national security.

The bill is aimed at Russia, but would punish any foreign business interests believed to be helping Iran develop ballistic missiles. While some supporters of the measure view sanctions as the most potent weapon the U.S. has at its disposal in attempting to curb cooperation with Iran, others see a broader approach as essential.

A new report by the American Jewish Committee regarding Russian-Iranian cooperation states that while sanctions "would make clearer U.S. resolve to block proliferation and inflict some costs," they "are unlikely to bite hard enough to change Russian policy by themselves."

Instead, the report urges the United States to offer more positive incentives to promote different policies by the Russian government and Russian firms.

"American policy with respect to Russian-Iranian nuclear and missile cooperation needs to be modified to include both bigger 'sticks' and bigger 'carrots,'" the report states. "Only a more dynamic mix of incentives and disincentives will be sufficient to address the current situation." □

## Appeal for calm on Shavuot

NEW YORK (JTA) — A group of Orthodox, Conservative and Reform rabbis and educators has issued an appeal for calm at the Western Wall in Jerusalem on Shavuot.

Fearful of a repeat of last year, when men and women participating in a non-Orthodox prayer service were attacked by fervently Orthodox Jews, the group, Shvil Zahav, issued a statement Thursday calling for "non-interference" in Shavuot prayers. Shavuot begins Saturday night.

Representatives of the Conservative movement in Israel, which organized last year's service, say nothing official is being planned for this year, but they expect there will be non-traditional services. They have asked for police protection.

The call for non-interference comes amid an advertising campaign in the United States and Israel by an Orthodox group, Am Echad — or One People — urging against a non-traditional service, which it said would be "provocative."

"Turning a holy place into a battleground is simply wrong," according to the advertisement. □

## JEWISH WORLD

### AJCongress seeks court review

The American Jewish Congress asked the U.S. Supreme Court to review a case involving a Jewish student who objected to singing and performing Christian songs in a Utah high school.

The brief, which the AJCongress filed with the Americans United for Separation of Church and the State, calls on the court to examine a Court of Appeals decision that dismissed the case of Rachel Bauchman vs. West High School.

### Insurer agrees to settlement

A German insurer said it had agreed to settle the insurance claims with eight heirs of Holocaust victims. Allianz AG was one of 16 European insurers named in a class-action suit regarding policies held by Holocaust victims that were never paid out.

### Vandals damage headstones

Vandals damaged 25 tombstones at a 192-year-old cemetery in Warsaw. The attack is the second on the cemetery in as many weeks.

### King meets with Greek Jews

King Juan Carlos of Spain met with Jewish communal leaders in the Greek port city of Salonika, where he visited a memorial in a Jewish cemetery to the Greek Jews who perished under the Nazis. At the memorial, the king reiterated an apology made several years ago for his country's expulsion of Jews in 1492.

The president of the city's Jewish community presented the king with a golden key, telling him, "These are the keys of our homes we left behind when leaving Spain."

Juan Carlos was the first foreign dignitary ever to meet with Salonika's Jewish community.

### Governor signs deal in Israel

The governor of Pennsylvania signed an agreement with Israel to cooperate in high-tech ventures. Gov. Tom Ridge said the deal with Israeli officials "solidifies Pennsylvania's place on the world technology map."

### Nevis honors Israel's jubilee

The Caribbean nation of Nevis issued a stamp to honor Israel's 50th anniversary. The stamp depicts Israeli actor Chaim Topol dressed in the role of Tevye from the film version of "Fiddler on the Roof."

Topol won an Academy Award nomination and a Golden Globe Award in 1971 for his performance in the role made famous on Broadway by Zero Mostel. Officials representing Nevis said Topol was chosen for the stamp because he is perhaps Israel's most legendary international entertainer.

## Czech Jews receive funds after some months of delays

By Randi Druzin

PRAGUE (JTA) — Eduard Belas spent three years during World War II in labor and concentration camps in Slovakia.

Now with money from a joint Czech-German fund for victims of Nazism, Belas, 78, believes that "our suffering has been acknowledged to some degree."

The fund was established in January 1997 by the two governments.

After months of delays, which sparked a series of protests by the country's aging survivors, the fund's officials have begun issuing payments to 6,200 victims of Nazism, Jews and non-Jews. An additional 300 victims are expected to start receiving payments next month.

Approximately 2,000 of the recipients are Jewish.

The German-Czech declaration establishing the fund, which was in negotiation for almost two years, was intended to ease long-standing tensions rooted in Germany's wartime occupation of Czech lands and the subsequent deportation of Sudeten Germans from postwar Czechoslovakia.

Jewish leaders complained at the time of the pact's signing that Germany did not comment on the Holocaust in the declaration, which stated that Germany "regrets the suffering and iniquities inflicted on the Czech people."

The fund, which was originally to be used for communal projects, was created with some \$76 million from Germany and about \$12.9 million from the Czech government.

"The money will be a great help to these people because some of them have very modest pensions," said Oldrich Stransky, chairman of the Association of Former Political Prisoners. "Now they can live the rest of their lives with some dignity."

Those imprisoned up to 12 months will receive some \$900 each year, those imprisoned between 12 and 30 months will receive about \$1,100, and those imprisoned longer than 30 months will receive about \$1,400. All of the payments will be made annually.

Fund officials describe the annual payments as humanitarian aid, saying that the money is intended to help victims with health and social needs.

For his part, Belas said he would use some of the money to subsidize his wife's spinal operation. He said he also plans to use some of the money to purchase a new sofa — and will add the rest to his savings.

"I am glad we are receiving the money," he said. □

## Argentina jails four neo-Nazis

By Sergio Kiernan

BUENOS AIRES (JTA) — Four neo-Nazis have been sentenced by an Argentine court for distributing anti-Semitic pamphlets.

One of the men, a medical doctor, was ordered to serve 30 months in jail with no parole. His accomplices were each sentenced to two-year suspended terms and ordered to attend a human rights seminar.

The four were arrested in 1996 in connection with the desecration of the Jewish cemetery of La Tablada, west of Buenos Aires.

They were eventually cleared of those charges, but were charged with "fostering religious and ideological hatred" after police found 24,700 copies of an anti-Semitic leaflet in their homes. The leaflet stated that there is "a Jewish plan to rule Argentina, the first step of which is total domination of the state."

According to the leaflet, "Jews have all politicians under their thumb" and "by the year 2000 will start a Christian genocide."

It named Argentine President Carlos Menem, who is a Catholic of Syrian descent, as "head of the Jewish plot."

The court's ruling is the second instance in which racists were charged under the country's hate-crimes law — last month three skinheads were sentenced to three years in jail. □

**BEHIND THE HEADLINES****Popular Israeli products could suffer from boycott**

By Gil Sedan

JERUSALEM, May 26 (JTA) — Ahava cosmetics are among the popular Israeli products that are at the heart of a growing dispute between Europe and the Jewish state.

Ahava products, which are sold in stores around the world, are produced in Mitzpeh Shalem, a West Bank settlement.

Since they are not produced within Israel's pre-1967 borders, some European Union officials believe the cosmetics line is not covered by a free-trade agreement that allows Israeli products to enter 15 E.U. countries without tariffs.

The European Union now is threatening to impose tariffs on Israeli goods produced in eastern Jerusalem, the Golan Heights and settlements in the West Bank and Gaza Strip.

Israel staunchly disagrees. Israeli officials say the free-trade accord covers all Israeli products.

Further, they have charged the Europeans with seeking to use economic blackmail to weigh in on the stalled peace process.

The E.U.'s Council of Ministers was originally scheduled to discuss the matter earlier this week, but postponed it until the second week of June.

The idea of targeting certain Israeli products did not originate in Europe.

Last September, a newly formed Israeli group called Gush Shalom released a list of goods manufactured in the territories, as well as in eastern Jerusalem and the Golan Heights, urging the public not to buy them.

"Every shekel we pay for a settlement product strengthens the settlers and their radical leaders," Uri Avneri, a journalist and former Knesset member who founded Gush Shalom, said in an interview this week.

At first the boycott call was ignored in Israel.

Then it became a target for attacks by settlers and their allies, which focused light on Gush Shalom's move.

The boycott call spread through the Internet and received international attention.

That call, however, has not yet been answered in the Jewish state.

"I never realized that Barkan wine came from the West Bank," said Nava Mizrahi, who was shopping at a Jerusalem supermarket.

In fact, many Israelis do not immediately realize that Modan bags, popular among travelers and schoolchildren, are produced in the West Bank settlement of Shaked.

Nor do many know that Pladelet steel doors are made in the Barkan industrial area, located between the West Bank Palestinian towns of Kalkiliya and Nablus.

Popular goods produced on the Golan include several leading wines, the Ramat Hagolan dairy products and Mai Eden mineral water.

While the settlers have not felt threatened by Gush Shalom, the European initiative is a different matter. At stake is an estimated \$200 million worth of goods, mainly agricultural produce, that are exported annually from settlements in the West Bank and Gaza.

Several weeks ago the European Commission, the E.U.'s

executive body, issued a document suggesting it had grounds to believe that the Jewish state was violating its agreement with the European Union by exporting goods that originate in territories beyond Israel proper.

And it also claimed to have evidence that many goods manufactured in Jewish settlements were being exported to Europe as products made in Israel.

The European threat has triggered angry reactions among settler leaders, who have gone as far to compare it to the boycott of Jewish products during the Nazi era.

"If you provoke the Jews, don't be surprised if you get a tough reaction," Shlomo Filber of the Council of Jewish Settlements said in an interview.

He suggested that if the Europeans go ahead with their boycott plans, the settlers would urge Jews throughout the world to boycott European products.

For Avneri, the boycott threat by the Europeans was not surprising.

"The Europeans were angry at us anyway," said Avneri. "They were angry because El Al preferred Boeing over Airbus, because we were delaying Palestinian exports in the ports and because of the orange juice fraud."

The orange juice fraud was one of the main things that triggered the deteriorating relations between Israel and the European Union.

About 18 months ago, the Europeans discovered that Israeli orange juice producers mixed Brazilian juice concentrates with Israeli juice that they exported to Europe as "Made in Israel," enjoying the tax exemptions enjoyed by Israeli agricultural products.

The Europeans threatened punitive action at the time, prompting Israel to dispatch Trade Minister Natan Sharansky on an emergency mission to Brussels, the European Union's headquarters.

While Sharansky promised full cooperation with the tax authorities, the episode caused serious damage to Israel's reputation in the European Union.

Each of the countries that imported the orange juice concentrates is reviewing whether to demand the required taxes from the Jewish state.

The Europeans have hinted that they might reconsider their threat to impose taxes on goods produced in the territories if Israel would give Palestinian products the same status as Israeli goods made in the territories.

But Israel has objected to that proposal, arguing that Israeli manufacturers in the West Bank and Gaza would not be able to compete with cheaper Palestinian products.

But even if the controversy over settlement products is settled, there is more trouble ahead.

The European Commission has in mind to put a total freeze on all new agreements in the areas of financial services, mutual recognition of technical standards and the promotion of European investments in Israel.

Israel is the only country outside of Europe to receive the same trade privileges as European countries, Manuel Marin, the E.U. official in charge of relations with Mediterranean countries, told the Israeli daily Ha'aretz this week.

"We have implemented the agreements with Israel out of full respect. Israel, however, is not behaving likewise," Marin said. □