



Daily News Bulletin

Vol. 76, No. 124

Friday, July 10, 1998

81st Year

TOP NEWS IN BRIEF

Partnership to be co-owned

The new partnership between the United Jewish Appeal, the Council of Jewish Federations and the United Israel Appeal will be owned by local Jewish federations, with the participation of other national organizations. That was the decision reached this week when 150 national Jewish leaders convened in Chicago to plan a full merger of the community's central fundraising institutions. No details of governance were decided for the newly merged entity, which is expected to become official by early next year.

District ruled unconstitutional

A New York court upheld a ruling that the creation of a special school district for a Chasidic community in upstate New York is unconstitutional.

The decision by the Appellate Division of the New York State Supreme Court marks the third time that a court has ruled against the Kiryas Joel school district — which would give the Satmar community in Orange, N.Y., control of education for its developmentally disabled children. The community is expected to appeal the decision.

Negotiating breakthrough sought

Two top Palestinian negotiators left for meetings in Washington at the invitation of U.S. Secretary of State Madeleine Albright. Palestinian officials indicated that they would not accept any modifications to the U.S. plan for advancing the peace process. Meanwhile, Israeli Prime Minister Benjamin Netanyahu briefed opposition leader Ehud Barak and President Ezer Weizman on the state of the negotiations, but there were no indications that a breakthrough was in sight.

Iranians granted a stay

A U.S. federal judge will soon rule on whether frozen Iranian assets in the United States should be liquidated and turned over to the family of an American Jewish student killed in a terrorist bombing in the Gaza Strip.

U.S. District Court Judge Royce Lamberth earlier this week granted a request by lawyers for Stephen Flatow, whose 20-year-old daughter, Alisa, was killed by terrorists in 1995, to serve Iran notice to appear in court. But he stayed that order when the Clinton administration objected. [Page 3]

BEHIND THE HEADLINES

Shortage of high-tech specialists affecting Israel's economic growth

By Avi Machlis

JERUSALEM (JTA) — Israeli engineers and computer programmers are not worried when they see dramatic headlines warning of rising unemployment.

All they have to do is turn to the help-wanted pages, which are filled with ads from companies seeking high-tech specialists. The ads demonstrate what many in the field already know: Electronics and software companies in Israel face a drastic shortage of skilled workers.

Israeli economic leaders believe that alleviating this shortage is one of the biggest challenges facing its economy as it moves into the 21st century.

Part of the problem is attributed to the shift away from traditional industries such as textiles and agriculture toward high-tech, leaving many unskilled workers unemployed.

Meanwhile, burgeoning companies throughout Israel's booming high-tech sector are desperately seeking skilled engineers, computer programmers and technicians.

"We need about 4,000 new workers a year," said Zohar Zisapel, chairman of Rad, a group of data communications companies, and head of Israel Electronics Industries, an industry organization. "Due to the shortage, the electronics industry is growing at a much slower rate than its potential — about 11 percent a year instead of 20 percent a year."

Not only are high-tech companies prevented from reaching peak levels of developing and manufacturing, but the manpower shortage also pushes up wages for these highly demanded workers, eroding the profitability of technology companies.

According to one Tel Aviv recruitment firm, some specialists are so badly needed that a discharged soldier with the right training can begin working without a college degree for about \$35,000 a year — double the average income in Israel.

"Salaries for engineers and software experts have climbed 50 percent in dollar terms over the past five years to U.S. levels, mainly because of the shortage," said Elisha Yanay, general manager of Motorola Communications Israel, a subsidiary of the U.S. giant.

The under-performance of the technology sector is a particular problem this year, as the government struggles to reverse an economic slowdown. Maximum growth of technology companies is crucial to reversing the trend because the sector has become the main engine driving Israeli economic growth during the past decade.

During that period, as the high-tech sector established its place at the vanguard of the economy, many new jobs were filled by highly skilled immigrants from the former Soviet Union.

Today immigration is tapering off, and universities are not producing graduates as quickly as companies are producing jobs.

Steps have been taken to try to solve the problem.

Earlier this month, the Council for Higher Education, a public body dealing with university budgets, submitted a plan to Prime Minister Benjamin Netanyahu to eradicate the shortage. The plan envisions doubling the high-tech workforce from 30,000 today to 60,000 in the year 2003.

The plan has been set in motion, budgets have been allocated and industrialists are optimistic, but there are still obstacles.

Nissan Limor, director-general of the Council for Higher Education, says

MIDEAST FOCUS

New sub launched

Israeli and German military officials attended the launching of a submarine at a site near the German port city of Bremen. The submarine, named "Tekuma," which means revival, is the third submarine built for Israel by Germany.

Mofaz becomes IDF chief

Maj. Gen. Shaul Mofaz formally assumed the position of Israel's new army chief of staff. He replaced Lt. Gen. Amnon Shahak, who many believe will soon enter the political arena.

Court rules against ambassador

An Israeli court ruled that the Egyptian ambassador to the Jewish state must accept court papers naming him as a defendant in a civil suit filed by a belly dancer who claimed he raped her last year. Ambassador Mohammed Basiouny has refused to accept the papers, citing diplomatic immunity. Shlomit Shalom, who is suing him for some \$290,000, turned to civil action after her initial complaint to police was dismissed because of insufficient evidence.

Arafat to visit China

Discussions of the Middle East peace process will top the agenda when Palestinian Authority Chairman Yasser Arafat makes a scheduled visit to China next week, according to the Chinese Foreign Ministry.

Israeli Prime Minister Benjamin Netanyahu also discussed the peace process with his Chinese hosts when he visited the country in May.

Suskin appeal denied

Israel's High Court of Justice turned down an appeal to reduce the two-year sentence of Tatyana Suskin.

An emigre from Russia, Suskin distributed posters last year in the West Bank town of Hebron depicting the prophet Mohammed as a pig.

universities need to increase their pool of computer and engineering instructors.

"We are trying to bring back Israeli specialists who have left the country," he said. But that also requires universities to offer competitive salaries.

Another problem, said Limor, is that only 18 percent of high school graduates are qualified to enter departments at universities that prepare students for the high-tech fields.

"There is a need to convince those students that have the capacity to choose science and technology," said Zehev Tadmor, president of the Technion-Israel Institute of Technology.

The Technion, which produces the vast majority of Israeli graduates going into high-tech industry, had already increased its student population by 30 percent this year, and plans to grow up to 50 percent more over the next seven years.

Even if these problems are solved, since most technology workers need to be trained on the job for about two years, it could take as long as four years before the sector reaches full capacity. Until then, technology companies need a solution — but they cannot agree on a strategy.

"We believe the government must give permits to foreign workers from India and Eastern Europe, where there is a surplus," said Zisapel.

Amiram Shore, president of the Israel Software Association, staunchly objects to allowing foreign workers into the technology sector, even though software companies face the same problems as electronics companies.

"Our biggest asset is ingenuity," he said. "If we let in foreign workers, we will be transferring ingenuity to potential competitors."

The differences regarding the use of foreign workers in the industry may explain why the government has refused to let in foreign technology specialists. Finance Minister Ya'acov Ne'eman recently dismissed the notion as "absurd" — even though there are tens of thousands of foreigners licensed to work in other sectors.

If foreign workers are not brought in, Israeli companies may find they have no choice but to move operations abroad if they are to remain competitive with their rivals in Silicon Valley. There are already signs that this is happening. Amdocs, a manufacturer of information systems for telecommunications companies, has set up a facility on the nearby island of Cyprus.

Earlier this year, Magic Software set up the first Israeli research and development center in India. Some industry players say it is just a matter of time before other firms follow Magic's lead. □

ADL urges IRS to rescind status granted to Holocaust-denial group

By Julia Strongwater

NEW YORK (JTA) — The Anti-Defamation League has urged the Internal Revenue Service to rescind its recent decision to give tax-exempt status to a group that promotes Holocaust denial.

The Institute for Historical Review and its parent organization, Legion for Survival of Freedom, Inc., were granted 501 (c) (3) status, a form of tax exemption given to non-profit groups. The institute is widely known for engaging in Holocaust-denial activities, from publishing materials to placing ads in campus newspapers.

"It is very troubling to us that a group whose identity centers on refuting the Holocaust should receive tax-exempt status," Elizabeth Coleman, the ADL's civil rights division director, wrote last month in a letter to IRS Commissioner Charles Rossotti.

"Far from being an educational or public-service organization committed to exploring historical events, IHR is the major center for Holocaust-denial propaganda and anti-Semitic vitriol," wrote Coleman. "We question the decision granting this group the benefits afforded to legitimate non-profit educational institutions and urge you to reconsider."

The ADL is awaiting a response from the IRS. Officials in Rossotti's office would not comment on the matter. □



Daily News Bulletin

Caryn Rosen Adelman, *President*
Mark J. Joffe, *Executive Editor and Publisher*
Lisa Hostein, *Editor*
Kenneth Bandler, *Managing Editor*
Lenore A. Silverstein, *Business Manager*

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.
© JTA Reproduction only by previous arrangement.

JEWISH WORLD

New York to target insurers

New York will begin slapping penalties on European insurance companies that fail to resolve wartime claims of Holocaust survivors.

The bill, which also eases standards for substantiating the claims, was signed into law by New York Gov. George Pataki some 10 months after he opened an office in the borough of Manhattan to help survivors recover assets withheld by Swiss banks or by European insurers.

N.Y. comptroller criticized

Switzerland's leading trouble-shooter on Holocaust restitution issues lashed out at New York City Comptroller Alan Hevesi for accusing the Swiss government of breaking its word that it would be involved in a global settlement of Holocaust-era claims.

In a letter to the comptroller, Thomas Borer said the Swiss government had never made such a commitment. Borer added that "intimidation tactics like these can only recall the most flagrant propaganda methods."

The letter comes just days after Hevesi and other U.S. finance officials cleared the way for sanctions against Swiss banks in light of the collapse of the settlement talks.

Embassy memorial planned

Argentine Jewish businessmen plan to build a memorial to the 29 people killed in the 1992 bombing of the Israeli Embassy in Buenos Aires.

The businessmen bought the land from a firm that had planned to build a shopping center at the site where the four-story embassy once stood.

No arrests have been made in connection with the bombing, which left more than 100 people wounded.

Palestinians fight in court

The trial of two Palestinians charged with plotting to place a bomb in a New York City subway station last July was delayed for one day when the two defendants got into a fight.

Ghazi Ibrahim Abu Maizar apparently struck Lafi Khalil as witnesses heard the two shouting at each other.

Film focuses on Kabbalah

A Hollywood film that opens next week throughout the United States features a mathematician named Max Cohen who is hunted by a group of Chasidic students of Kabbalah.

In the movie "Pi," the Chasidim are searching for Cohen because they believe that the mathematician has the key to bringing about the coming of the Messiah.

Jewish family seeks to collect multimillion judgment against Iran

By Daniel Kurtzman

WASHINGTON (JTA) — The family of an American Jewish student killed in a 1995 terrorist bombing in the Gaza Strip may be moving closer to collecting a \$247.5 million judgment against Iran.

A federal judge will soon decide whether to put the Iranian government on notice that if it does not show up in court, frozen Iranian assets in the United States will be liquidated and turned over to the family of Alisa Flatow.

Flatow, a 20-year-old Brandeis University student from West Orange, N.J., was attending a Jerusalem yeshiva when she and seven Israeli soldiers were killed by a suicide bomber who drove a van into their bus in the Gaza Strip in April 1995.

Earlier this year, U.S. District Court Judge Royce Lamberth ordered Iran to pay the money for its role in bankrolling the terrorist bombing attack that claimed the 20-year-old's life.

The ruling was the first under a 1996 anti-terrorism law, which allows U.S. citizens to file suit in U.S. courts against foreign state sponsors of terrorism if they can be shown to commit or aid in a terrorist act.

Lamberth this week granted a request by lawyers for Stephen Flatow, Alisa's father, to serve Iran notice.

But the judge decided Thursday to stay that order when the Clinton administration objected. The Justice Department argued that the Iranian assets in question — three real estate parcels in Washington, D.C., including the structure that was the Iranian Embassy — are protected by federal law and international agreements.

Thomas Fay, a lawyer for Flatow, argued that the law's directive on the matter was not binding and accused the administration of "undertaking a discretionary act to protect the property of terrorists."

Flatow's lawyers believe the American government is aware of the location of other Iranian assets in the country, and has subpoenaed Treasury Secretary Robert Rubin and Secretary of State Madeleine Albright to get a list of these assets.

The Clinton administration has said it would not comply with the subpoenas, calling them in a Justice Department letter "unduly burdensome and overly broad."

Lamberth, in issuing the stay, asked both sides to submit briefs to the court before he makes a determination on serving Iran notice.

Steven Perles, another lawyer for Flatow, said in an interview that the larger goal, beyond getting Iran to appear in court and making it pay, is to see that the Flatow family is awarded a large judgment "so that Iran will reconsider the wisdom of engaging in terrorist attacks against" Americans citizens.

"This is purely an exercise in deterrence," he added. □

Israel honors Poles

ROME (JTA) — The Israeli Embassy in Poland has honored more than 20 non-Jewish Poles for their work to preserve sites of Jewish heritage.

The individuals recognized, who live in towns and cities across the country, were honored for such actions as restoring and documenting abandoned Jewish cemeteries, writing books and pamphlets on local Jewish history and working to establish Jewish museums.

Israel's ambassador to Poland, Yigal Antebi, handed out framed certificates of appreciation and books about Israel to the honorees at a ceremony held in Krakow on Sunday, at the conclusion of that city's annual Festival of Jewish Culture.

The ceremony was well-covered in the Polish media.

But over the weekend, an incident in the southern city of Rzeszow showed another face of post-Communist Poland.

A new memorial to Jewish Holocaust victims in the Polish city of Rzeszow was defaced by anti-Semitic graffiti.

City officials have begun to clean the monument. □

Knesset rejects proposals to draft fervently Orthodox

By Gil Sedan

JERUSALEM (JTA) — The Knesset has defeated two bills aimed at imposing a military draft on fervently Orthodox yeshiva students.

Military deferments for yeshiva students have become a highly charged issue in the deepening rift between Israel's secular and observant populations. The deferments were first granted in the early 1950s under the government of Prime Minister David Ben-Gurion. At the time, it applied to some 500 yeshiva students. There are now some 28,000 men between the ages of 18 and 41 who have been granted exemptions after claiming that their only occupation is yeshiva studies.

Prime Minister Benjamin Netanyahu, whose coalition depends on the support of the religious parties, had opposed the bills, one of which was submitted by opposition leader Ehud Barak.

The bills were defeated as a result of a rare alliance involving the Likud, religious parties and Arab parties.

Arab legislators voted against the bills in exchange for a promise from the religious parties to oppose any future initiative to impose any form of national service on Israel's Arab population.

Barak's bill was defeated by a 53-45 vote. A similar bill introduced by the secularist Meretz Party was voted down by 53-41. One member of the Cabinet, Public Security Minister Avigdor Kahalani, gave his support to Barak's bill.

Wednesday's Knesset session turned into a confrontation between Barak and his former subordinate when he was army chief of staff, Defense Minister Yitzhak Mordechai.

Barak claimed there was no justification for the fact that behind every soldier who "can look at the enemy directly in the eyes," there would be 10 Israeli youths who would stay at home.

Mordechai, who spoke for the government, retorted that Barak's motives for introducing the bill were political.

He added that there was no guarantee that a draft of yeshiva students would improve Israel's security situation and that the move would only deepen rifts in Israeli society.

The fervently Orthodox parties expressed anger at Barak for introducing his bill, saying the move would prevent them for supporting him in any run for the premiership. □

Czech editor issues apology after losing Parliament seat

By Richard Allen Greene

PRAGUE (JTA) — The editor of an extreme-nationalist Czech newspaper has apologized "to everyone he ever offended" following the electoral defeat of his Republican Party.

Josef Krejsa, editor of the newspaper *Republika* and a member of Parliament until last month's elections, is regarded as one of the main ideologists of the far-right Republican Party.

The Federation of Czech Jewish Communities recently brought a lawsuit against Krejsa's newspaper, accusing it of propagating anti-Semitism. Tomas Kraus, the federation's executive secretary, did not know what to make of Krejsa's public apology.

"He is a very confusing figure," said Kraus. "I don't know what to think."

He added that the apology would have no effect on the court case, which is currently in the investigative stage.

Some local commentators have speculated that there is a practical reason for Krejsa's ostensible change of heart.

Under Czech law, legislators are immune from prosecution for any crime. Having lost his seat, Krejsa can now be charged with spreading racial hatred via his newspaper.

About 6,000 Jews are estimated to live in the Czech Republic.

The Republican Party, known for its anti-Gypsy and anti-Semitic rhetoric, and for opposition to the Czech Republic's joining NATO, polled only 3.9 percent during last month's parliamentary elections.

Political parties must claim at least 5 percent of the popular vote in order to be seated. In the last Parliament, the Republicans held 18 seats out of 200, having won just more than 8 percent in the 1996 elections. □

Controversial Jewish comic compares president to Hitler

By Tom Tugend

LOS ANGELES (JTA) — Jewish comic Jackie Mason has compared President Clinton to Adolf Hitler.

In an interview with the *Los Angeles Times*, Mason, who is known for offending ethnic and political sensitivities and is a longtime Clinton foe, referred at one point to a conspiracy theory alleging that the president was involved in the death of Vincent Foster, one of his top aides.

"Clinton would just as easily kill as Hitler would. He has no conscience," Mason was quoted by *Times* reporter Paul Brownfield. When Brownfield demurred at the comparison, Mason continued, "Who cares if a person kills one person or a million people? What is the difference in the morality? The difference isn't that profound to me."

After an investigation, Foster's death was ruled to be a suicide.

Mason's longtime New York agent, Jyll Rosenfeld, asked for the comic's comment on the interview, responded by saying, "Jackie is not ashamed of anything he says." She added, "He is a proud Jew."

Rosenfeld also informed the caller, "I can tell from your tone that you're a self-hating Jew." She said Mason himself would call the reporter, but a few minutes later, after phoning the comic in Los Angeles, she conveyed his sentiments.

"As a comedian, Jackie takes poetic license and exaggerates to make his point," Rosenfeld said. "Someone so stupid as to take every word literally needs a psychiatrist. He is not interested in defending" his *Times* quote, "and if you want to use it because you need a headline, go ahead."

Times reporter Brownfield said in a phone conversation that when Mason brought up the Clinton-Hitler comparison during their two-hour lunch, the interviewer said, "This is a joke. Answer me seriously." Brownfield said he also put it to the humorist that he was exaggerating, to which Mason responded, "No, no."

The *Times* reporter, who said he admires Mason's work, added that "with Jackie, it's hard to know whether he is serious or just feels he needs to be outrageous." □