



# Daily News Bulletin

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81<sup>st</sup> Year

## TOP NEWS IN BRIEF

### Clinton to weigh in on Pollard

The White House asked top administration officials to recommend by Jan. 11 whether President Clinton should reduce the life sentence of an American convicted of spying for Israel. In a letter sent last month to Attorney General Janet Reno, Secretary of Defense William Cohen, Secretary of State Madeleine Albright and CIA Director George Tenet, the White House said the deadline would allow the president to conduct a review of Jonathan Pollard's case in a "timely manner."

### Israel, Palestinians trade barbs

The United States said it would send Middle East envoy Dennis Ross to the region this weekend to try and resolve the latest dispute between Israel and the Palestinians. Ross' trip comes as Israel and the Palestinian Authority launching a new round of charges and counter-charges. Israeli Prime Minister Benjamin Netanyahu said the Palestinian Authority had incited lynch mobs against Israel, while Palestinian leader Yasser Arafat said the new conditions that Israel demanded Wednesday violated the Wye agreement. Israel has announced it is suspending all further West Bank redeployments called for under the accord until the Palestinian Authority complies with a list of demands, including a promise not to declare statehood next May.

### Guidelines adopted on looted art

Some 44 nations and 13 non-governmental organizations adopted a set of guidelines for returning looted art. The non-binding principles agreed upon at the conclusion of an international conference on Holocaust-era assets in Washington are intended to provide a framework for identifying and publicizing looted works so that prewar owners or their heirs can claim them.

### Czechs make arrests

Czech police arrested four men suspected of vandalizing a Jewish cemetery last month. The four, three teen-agers and a 21-year-old, are being charged under the Czech Republic's anti-hate crime laws. Some 41 headstones were overturned, and the words "Death to Jews" and "Jude Raus" spray-painted in the cemetery in the town of Trutnov, where no Jews currently live. [Page 3]

## NEWS ANALYSIS

### Lebanon withdrawal proposal linked to possible Syrian talks

By David Landau

JERUSALEM (JTA) — The deaths of seven Israeli soldiers in southern Lebanon during the past two weeks have reawakened a longstanding debate about whether Israel should withdraw from the region.

Intimately linked to this debate is the question of how to deal with Syria, which, with tens of thousands of soldiers in Lebanon, is the undisputed power broker there.

Indeed, whenever the fighting heats up in southern Lebanon, political analysts shift their gaze toward Syrian President Hafez Assad, who allows the shipment of armaments from Iran through Syria to their ultimate destination — the Hezbollah gunmen who are trying to drive Israeli troops out of its 9-mile-wide security zone carved out of southern Lebanon.

In the wake of the Israeli deaths — caused by what has become Hezbollah's most effective weapon, roadside bombs — demonstrations took place outside the Prime Minister's Office in Jerusalem and outside the army high command in Tel Aviv demanding that Israel withdraw from the Lebanese quagmire.

Israel's ministers and generals were meanwhile grappling with the same problem that has occupied them for years: After Israel established the security zone more than a decade ago, when would the proper time come to leave?

Defenders of Israel's presence in Lebanon say it is necessary to protect Israel's northern communities until comprehensive agreements are reached with Syria and Lebanon.

Critics of the policy have argued that it only leads to more casualties. "It isn't a security zone," Labor Knesset member Yossi Beilin declared in the legislature on Monday. "It's a death trap."

While Beilin's remarks prompted a sharp rebuke from Defense Minister Yitzhak Mordechai, Foreign Minister Ariel Sharon, with an eye toward possible talks with Syria, took the lead in the Cabinet this week advocating for a phased, unilateral withdrawal.

According to reliable sources here and abroad, there are indications that Assad wants to resume negotiations with Israel, which were suspended in March 1996.

Seasoned observers had predicted a reawakening of Syrian interest in peace diplomacy after Israel and the Palestinian Authority signed the Wye agreement in late October that resulted in the transfer of more West Bank land to Palestinian control.

They have long suggested that any progress on the Palestinian track would prompt Syria's return to the negotiating table.

On Monday, Prime Minister Benjamin Netanyahu denied reports that he had received a message from Assad urging resumption of the talks. But informed sources insist there has been significant diplomatic traffic — not in the form of a direct message to the premier, but in signals conveyed through intermediaries.

Most experts, both here and abroad, maintain that Israel's problems in southern Lebanon are inextricably linked to the Golan Heights, which Syria demands as part of any peace accord with Israel. They say that the Syrian presence in Lebanon — and Syrian domination of Lebanese politics — means that Israel must deal with Damascus if it hopes to extricate itself from southern Lebanon.

The Syrian connection is the main argument given by those in the Cabinet and among the Israel Defense Force top brass who oppose a unilateral withdrawal.

They contend that such a withdrawal must come in the context of an agreement or

## MIDEAST FOCUS

### Palestinian unrest continues

Palestinian youths threw rocks at Israeli vehicles in eastern Jerusalem, continuing the unrest that erupted following Wednesday's stabbing murder of a Palestinian on the West Bank.

Meanwhile, Israeli police said they will increase their forces in Jerusalem in anticipation of possible further disturbances by Palestinians before President Clinton's visits Israel and the Gaza Strip later this month.

### Cabinet tours Lebanon

Israeli Cabinet ministers toured the country's border with Lebanon before discussing the escalating controversy about Israel's presence there.

Calls for Israel to withdraw from the security zone in southern Lebanon have increased after seven Israeli soldiers were killed in the past two weeks.

### Labor Party makes threat

Labor Party head Ehud Barak declared that his party would remove its "safety net" for the government on the peace process in the Knesset if it acts on a Cabinet decision this week to suspend further implementation of the Wye agreement signed last month in Maryland.

The Labor Party has pledged not to bring down the government of Israeli Prime Minister Benjamin Netanyahu as long as it moves ahead with the Wye agreement.

### Clinton won't use Gaza airport

President Clinton will not fly into the newly opened Palestinian airport in the Gaza Strip when he visits the region next week.

Israel, aware of the symbolism of the landing at Gaza, asked that Clinton fly by helicopter to the Gaza Strip, land at an alternate site and then drive to Gaza City for talks with Palestinian Authority leader Yasser Arafat.

at least an understanding with Syria — or else Hezbollah will likely follow the withdrawing troops and launch its next attacks from the border fence itself.

The contrary argument is that, once it is out of Lebanon and its occupation ended, the IDF will have wider options to strike back — and to enjoy international approval — if Israeli territory comes under Hezbollah attack.

The key question, therefore, is not the tactical one of whether and how to pull the army out of southern Lebanon.

Rather, it is whether Israel, under its present leadership, is prepared to negotiate with Syria over withdrawal from the Golan — since all acknowledge that Syria will accept no less than total or near-total withdrawal from the Golan as its price for a peace that would include the pacification of the Israeli-Lebanese border.

In an effort to forestall such a withdrawal, a Knesset committee this week approved for a first vote by the entire legislature a bill aimed at preventing the government from granting any of the Golan Heights to Syria. The legislation would need the backing of 61 legislators and approval in a national referendum before becoming law.

Under former premiers Yitzhak Rabin and Shimon Peres, Israel did come close to offering all of the Golan. But Assad, in what many felt was his myopic obstinacy, dug in over security arrangements and the nature of the peace provisions until it was too late.

The Likud's victory in 1996 effectively put an end to the terms of those negotiations. Assad has since demanded that if the talks resume, they must start from the point at which they left off — that is, with the previous Labor offer regarding the Golan.

Netanyahu, until now, has just as insistently balked at that demand.

But is Netanyahu after the Wye accord a new and different leader?

Perhaps of equal significance, are Netanyahu and Sharon, a new and different leadership team after Wye?

Both men pledged in the past not to agree to the further 13 percent Israeli redeployment on the West Bank that was ultimately agreed to at Wye.

As a result, they are now branded by the far-right as traitors to the cause of Greater Israel.

Are they riper, now, to reconsider their positions regarding the Golan, too?

Their public utterances give no such indication. But that is to be expected.

Sharon said Sunday that negotiations with Syria and the hostilities in southern Lebanon were separate issues that must be resolved independently.

"If we link the security situation in Lebanon to negotiations with Syria, our soldiers in Lebanon and Israel's northern border settlements will become hostages to Syria and targets for terrorist attacks, which will likely increase," he said.

Sharon has previously called for the unilateral withdrawal of Israeli troops from Lebanon, accompanied by a strong warning to Beirut that continued attacks on Israel from its territory would result in the bombardment of essential infrastructure installations.

Israeli Defense Minister Yitzhak Mordechai has meanwhile been a leading advocate for an Israeli proposal advanced earlier this year that was rejected by Damascus and Beirut.

The proposal was based on U.N. Security Council Resolution 425, which calls for an Israeli withdrawal from Lebanon alongside security guarantees from Lebanon that attacks would not be launched on Israel from its soil.

Some see Sharon's stance as an effort on the part of the architect of the ill-fated 1982 Lebanon War to cement Israel's hold on the Golan by severing its connection to Lebanon — a move that would end Syria's ability to pressure Israel, through Hezbollah attacks, into making far-reaching concessions across its entire northern front.

There may, however, be another reading. Sharon may want out of Lebanon not to keep Israeli control of the Golan, but in order to strengthen Israel's negotiating hand in soon-to-be-resumed talks regarding the territory.

These talks, clearly, will result in a large-scale withdrawal if they are to succeed. The question is, though, how much withdrawal? Sharon, according to this theory, believes that Syria can be persuaded to make do with less than the border that existed before the 1967 Six-Day War.

But in order to hang tough in a renewed Golan negotiation, under this assessment of Sharon's motives, Israel must end its occupation of southern Lebanon. □



## Daily News Bulletin

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## JEWISH WORLD

### Holocaust education conference

Sweden offered to host an international conference next year or in early 2000 on international Holocaust education.

The announcement came at the conclusion of the Washington Conference on Holocaust-era Assets, during which a task force pushed the assembled nations and organizations to promote Holocaust education, remembrance and research.

The task force is the first inter-governmental effort on the subject.

### Survivors ask for merger delay

Lawyers for a group of Holocaust survivors asked the Federal Reserve Bank of New York to delay approval of Deutsche Bank's takeover of an American bank.

The letter on behalf of survivors who have filed a class-action suit against Deutsche Bank asks that approval of the takeover of Bankers Trust Corp. be conditional on the German bank's repaying all Nazi-era looted assets and profits made from the bank's involvement with companies that used slave labor during World War II.

### Looted art in Pittsburgh museum?

A Pittsburgh museum may house a work attributed to Rembrandt that was stolen from a French Jew by the Nazis.

"Portrait of an Elderly Jew in a Fur Hat" appeared as part of the collection of the Carnegie Museum of Art in a publication of looted artworks distributed at this week's conference on Holocaust-era assets in Washington.

The French government had recently requested the painting from the Czech Republic.

### Synagogue may become mall

What was once South Africa's central synagogue may be converted into a shopping center in downtown Johannesburg. Plans to convert the Great Synagogue to commercial use reportedly met with no objection. The shul was once the seat of the country's chief rabbi, but has not been used for religious services for some time.

### Tombstones destroyed in Georgia

Vandals destroyed dozens of tombstones in a Jewish cemetery in the former Soviet republic of Georgia. Eduard Shevardnadze, the president of Georgia, said he was outraged by the desecration and ordered police to conduct a thorough investigation into the matter.

Georgia, which has historically had a low level of anti-Semitism, recently held a high-profile commemoration of 26 centuries of Jewish life there.

## Steve Grossman steps down as head of Democratic Party

By Matthew Dorf

WASHINGTON (JTA) — When Steve Grossman's 9-year-old son dropped out of a baseball league, telling his father that "when you stopped coming to my games, it took all the fun out of it," the Democratic Party's national chairman knew it was time to quit.

After splitting his time between Capitol Hill and Boston for 22 months as the head of the Democratic National Committee, Grossman resigned this week, citing the desire to spend more time with his son and ailing father.

But don't expect this "genetic" Democrat and lifelong Jewish activist to drop out of the public spotlight.

Grossman's resume reads like an entry in who's who in Democratic and Jewish circles: former Massachusetts Democratic Party chair, president and chairman of the American Israel Public Affairs Committee, honorary national vice chairman of United Jewish Appeal, campaign chairman of the Combined Jewish Philanthropies of Greater Boston.

In fact, Grossman almost stepped down last year to run for Massachusetts governor. While he plans to stay involved in the party, Grossman's surprise departure announced Wednesday hit Washington like a lead balloon.

"While it is good news for his family," President Clinton said, Grossman's resignation "is a loss for the Democratic Party. Steve has been a leader, a party builder, a prolific fund-raiser and a wonderful friend to Hillary and me."

Grossman won the hearts of Democrats by shattering fund-raising records as he nearly wiped out the party's \$18 million debt, though the debt rose again to about \$8 million after last month's congressional elections.

Grossman took the job when few would — because of the party's mounting debt and investigations over fund raising in the 1996 campaign.

While the party under Grossman's watch returned millions in illegal contributions and ran up millions more in legal bills fending off criminal accusations, his legacy is likely to be remembered for the record amounts of money that he raised to reduce these debts and fund the 1998 congressional elections.

During his tenure, the DNC raised some \$40 million.

"It was his leadership and commitment to Democratic principles that helped turn what was supposed to be a Republican midterm rout into a Democratic victory," said Ira Forman, executive director of the National Jewish Democratic Council, referring to Democratic gains in the elections last month. It was the first time this century that a second-term president's party won seats in a congressional midterm election.

Washington's Jewish community has already begun to mourn the loss of one of its closest allies. Grossman will stay in the post until a successor is found, but intends to leave no later than March. □

## Cemetery attack suspects held

By Richard Allen Greene

PRAGUE (JTA) — Czech police have arrested four men suspected of vandalizing a Jewish cemetery last month.

Police refused to say whether the suspects, three of whom are teen-agers, are skinheads. But they did confirm that two of the accused have been in trouble with the police before. They are being charged under the Czech Republic's anti-hate crime laws, as well as with criminal hooliganism.

If convicted, the minors face a maximum of one and a half years in prison, while the fourth suspect, who is 21, could be jailed for up to three years.

The cemetery in the eastern Czech town of Trutnov was systematically desecrated on Nov. 11. More than 40 headstones were overturned, and vandals spray-painted "Death to Jews" at the cemetery and on other Jewish memorials in the town.

According to the Federation of Czech Jewish Communities, there are no Jews living in the economically depressed town. □

## 'Russia's Frank Sinatra' protests lawmaker's anti-Semitic remarks

By Lev Krichevsky

MOSCOW (JTA) — A Jewish member of the Russian Parliament is trying to force his colleagues to punish a Communist lawmaker for making anti-Semitic remarks.

Yosef Kobzon walked out of a session of the Duma on Wednesday, saying he would not return until Albert Makashov was reproached.

Kobzon, a popular singer who is often referred to as "Russia's Frank Sinatra," was elected to the Duma, the parliament's lower house, last year.

Given his fame, Kobzon's action attracted a lot of media attention here while also stirring debate about the efficacy of his personal protest.

"His behavior does not make any practical sense," said Pyotr Shelisch, a Jewish member of the liberal Yabloko faction. "I don't think this can be a boost to the debate" on anti-Semitism in Parliament.

But other Jewish leaders hailed Kobzon.

"It was exemplary behavior," said Rabbi Pinchas Goldschmidt, the chief rabbi of Moscow.

"I wish other liberals followed him."

The Communist-dominated Duma last month failed on two occasions to censure Makashov, who has been making anti-Semitic remarks at public rallies and in interviews with the media.

Kobzon, an independent lawmaker, was the first member of the Duma to criticize Makashov after he made anti-Semitic remarks at a rally in October.

Kobzon was also a signatory to a letter sent by a small group of legislators to the Russian prosecutor general demanding an investigation of Makashov's remarks under a law that prohibits inciting racial and ethnic strife.

Kobzon said the lack of an adequate response from the prosecutor's office, which has not brought any charges against Makashov, as well as the broad support Makashov received in the Duma, prompted his walkout.

"I can't sit in the same room with Makashov and those holding views similar to his," Kobzon told the Duma before leaving.

A group of liberal lawmakers met Kobzon's statement with a standing ovation.

Kobzon, 61, retired from performing last year and easily won a seat representing a tiny Siberian district that borders Mongolia.

Born into poverty in Ukraine, Kobzon began his artistic career 40 years ago while in the Soviet Army, singing patriotic Soviet hymns and Jewish folk songs.

He later became one of the most popular — and wealthiest — performers in the country.

Kobzon, whose rich baritone used to bring Soviet leader Leonid Brezhnev to tears at public functions, was a household name for generations of Russian music lovers.

Jewish songs in Russian, Yiddish and, more recently, Hebrew have become an important part of the singer's repertoire.

Kobzon said anti-Semitism had never previously been a problem for him personally, but that after he publicly condemned Makashov in October, he was regularly targeted by supporters of the Communist legislator who would taunt Kobzon with anti-

Semitic insults outside the Duma.

"I have not heard so many insults in my entire life as I have heard lately," Kobzon said in an interview. Part of Russian society is riddled with anti-Semitism, said Kobzon.

Makashov's disease "has unfortunately penetrated deeply into society," Kobzon said. □

## Probe of Nazi business dealings shifting to role of U.S. companies

By Daniel Kurtzman

WASHINGTON (JTA) — The investigation into Nazi Germany's business dealings, the bane of Swiss banks and a host of European companies in recent years, has found its way to American shores.

Historians and lawyers researching class-action lawsuits on behalf of former prisoners of war have uncovered evidence showing that two of America's leading automakers collaborated with Nazi Germany, The Washington Post reported on Monday.

Documents from German and American archives show that American managers of Ford Motor Co. and General Motors Corp. went along with the conversion of their German affiliates into military production plants, even as they were resisting calls by President Roosevelt to increase military production in their plants at home, the Post said.

Together, the subsidiaries of the two companies controlled 70 percent of the German automobile market in 1939, and as World War II began, they retooled themselves to supply war materiel to Hitler's army.

A report by a U.S. army investigator in September 1945 accused the German branch of Ford of serving as "an arsenal of Nazism, at least for military vehicles" with the parent company's "consent."

The report also noted that American Ford agreed to a complicated barter deal that gave Germany increased access to large quantities of strategic raw materials, notably rubber, the Post said.

Both Ford and GM deny they collaborated with the Nazis or that they significantly profited from the use of forced labor at their German subsidiaries during the war. They maintain they bear little responsibility for the operations of their German subsidiaries, saying they lost contact with them after the war began.

In a statement, GM said the claims are "slandorous and untrue and do a great disservice to the thousands of loyal GM employees and their families who worked for the U.S.-Allied cause during World War II."

But documents uncovered by researchers for Washington attorney Michael Hausfeld, who earlier this year filed a class-action suit against Ford on behalf of a former Russian prisoner and forced laborer, show that the parent companies continued to do business with the Nazi regime and reaped profits from the German affiliates' use of forced labor.

The revelation comes as the United States begins to take a closer look at its own dealings during and after World War II, focusing on the way it handled Holocaust victims' assets.

President Clinton on Monday named World Jewish Congress President Edgar Bronfman as chairman of a newly created presidential commission to examine Holocaust victims' assets in the United States. □