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TOP NEWS IN BRIEF

Religious councils bill squeaks by

Israel's Knesset passed legislation intended to block Conservative and Reform representatives from serving on local religious councils.

The bill, approved in its third and final vote by 50-49, requires the religiously liberal representatives to accept the rulings of the Orthodox Chief Rabbinate before taking their council seats.

Reform leaders said they may seek court action to challenge the law.

Meanwhile, Israel's Sephardi chief rabbi caused an uproar by calling Reform Jews "more dangerous to the Jewish people than the Holocaust." [Page 1]

King Hussein returns to U.S.

Jordan's King Hussein flew back to the United States for medical treatment after developing what his doctor said may be a possible recurrence of cancer. In Amman, the monarch's oldest son, 37-year-old Prince Abdullah, was sworn in as heir to the throne.

FBI, Israel cooperate on break-ins

The FBI asked Israeli police to help analyze fingerprints found in the burglarized offices of an American political consultant who is advising the Labor Party candidate for prime minister in Israel's upcoming elections.

Investigators are exploring the possibility that the burglars who carried out two recent break-ins at the Washington office of pollster Stanley Greenberg are Israeli.

American investigators are also verifying a report by a taxi driver, who said that on the night of one of the break-ins he had driven Hebrew-speaking passengers who asked to be let off at Greenberg's office.

Italian firm to face lawsuit

Italy's largest insurance firm must stand trial in California in a \$135 million suit alleging that the company failed to fulfill a policy taken out in Europe by a Jewish man who perished in the Holocaust.

The judge in the case rejected the assertion by Assicurazioni Generali that the company is not subject to the jurisdiction of a California court in a matter originating in a foreign country.

The decision may also be applied to other European insurers and to more than 6,000 Holocaust survivors living in California. [Page 4]

Despite passage of law by Knesset, non-Orthodox vow to sit on councils

By Naomi Segal

JERUSALEM (JTA) — In the seesaw battle between Orthodox and non-Orthodox interests in Israel, the Orthodox have won the latest round in the Knesset.

But Conservative and Reform leaders both in Israel and the United States say the Orthodox victory is only a partial one because the aim of the legislation passed Tuesday — to keep non-Orthodox Jews from serving on local religious councils — will not succeed.

The legislation, vigorously pursued by the Orthodox parties and opposed with equal intensity by the Reform and Conservative movements, requires non-Orthodox representatives of local councils to pledge their acceptance of the halachic authority of the Orthodox Chief Rabbinate on matters dealt with by the councils.

The law, approved in its third and final vote by a razor-thin margin of 50-49, was intended to bypass recent rulings by the High Court of Justice that non-Orthodox representatives must be allowed to sit on the councils.

The councils have jurisdiction, including the allocation of funds, over issues relating to marriage, kashrut, burial and other religious matters for all Jews living in Israel

The issue, the latest in the battle over Reform and Conservative recognition in Israel, comes as Israel is gearing up for a new election and therefore takes on increased political significance.

Observers noted that Yitzhak Mordechai, who this week was fired as defense minister and announced that he would run for prime minister as head of a new centrist party, voted for the legislation, as did Prime Minister Benjamin Netanyahu and most members of the governing coalition.

Labor leader Ehud Barak voted against the legislation as did Natan Sharansky, leader of Yisrael Ba'Aliyah.

Orthodox lawmakers had said they would hold up all legislation needed to enact the nation's 1999 budget until after the religious council bill was approved.

In a separate Knesset vote Tuesday, legislators rejected by a vote of 43-28 a religious freedom bill that included a provision to recognize civil marriages and divorces performed in Israel.

Despite the law's intention to keep them off the councils, Reform and Conservative representatives say they will do everything necessary to take their seats — including taking the necessary oath dictated by the new law.

"The religious councils bill was only a partial victory for our political opponents. Our people will sit on the councils anyway," said Rabbi Joel Meyers, executive director of the Conservative movement's Rabbinical Assembly of America.

His Israeli counterpart, Rabbi Mauricio Balter, president of the Israel Rabbinical Assembly, said during a visit to New York this week, "We have always viewed [the councils] as administrative rather than halachic instruments."

Should the rabbinate "attempt to expand their authority and try to make religious councils into a rubber stamp, we won't allow that," said Balter, who said he intends to take his place on the religious council in the town of Kiryat Bialik, which sits just outside of Haifa.

Pointing out that the councils allocate government moneys for various programs, Balter vowed "to see to it that proper provisions are made and that they are given to Reform and Conservative congregations, not only Orthodox ones, and that the money

MIDEAST FOCUS

Knesset approves Golan law

Israel's Knesset passed a law requiring a national referendum and a special parliamentary majority to approve any Israeli withdrawal from land under its sovereignty.

The bill, approved by a vote of 53-30, applies to the Golan Heights, eastern Jerusalem and all other areas under Israeli rule.

Report: Israel rejects Iraqi offer

Israeli security officials rejected an Iragi offer to sell Israel crude oil at 50 percent below the market price, the Israeli daily Ha'aretz reported.

The paper said the proposal was conveyed to former Labor Energy Minister Moshe Shahal by a Palestinian businessman acting as an intermediary for Iraq.

Shahal said an Iragi official was willing to meet with him in Tel Aviv to discuss selling the oil within the framework of U.N. sanctions, which allow Iraa to sell oil in order to buy food and other humanitarian supplies for its people.

Spy trial in Cyprus postponed

A Cypriot judge postponed until Friday the trial of two Israelis accused of spying.

The postponement came after prosecutors asked that part of the trial be held behind closed doors. Israeli officials have said the two men, who were arrested in November, were not spying on the Mediterranean island nation.

Israeli caught in Olympic scandal

An Israeli who has been a member of the International Olympic Committee since 1994 is coming under fire in the scandal surrounding the group. Critics are charging that it is a conflict of interest for Alex Gilady to also be an employee of NBC-TV, which holds the U.S. rights to televising all Olympic Games through 2008.

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is not used by the Orthodox as a slush fund." Still, Conservative and Reform leaders in Israel and the United States lashed out at the Knesset decision, calling it a "slap in the face" and a deep disappointment.

In New York, Rabbi Eric Yoffie, the president of the Reform movement's Union of American Hebrew Congregations, called the Knesset action a "significant disappointment," particularly because "we have been litigating this matter for years and the Supreme Court has again and again affirmed that discrimination on these religious councils is forbidden."

Orthodox groups praised the passage of the legislation, which they called an important step to preserving authentic Judaism in Israel. The Orthodox members of Knesset had vowed to secure the law's passage after the Supreme Court ruled in November that Reform and Conservative representatives be installed on local religious councils in five cities.

Following another recent court ruling on the same issue, Orthodox, Reform and Conservative representatives attended a meeting Monday of the Haifa local religious

Shortly after it convened, the Orthodox members successfully moved for an adjournment.

Reform and Conservative leaders, meanwhile, took comfort in the close vote in the Knesset.

"The Orthodox could muster only a one-vote majority, and it shows the success we've had in conveying our message," Yoffie said.

Rabbi Reuven Hammer, a Masorti leader in Israel, echoed this theme.

The vote's close margin reflected an "enormous change in public opinion in Israel," he said while in New York this week. "It is no longer simple for religious elements to pass a religiously coercive bill even when they put all their effort in it."

Meanwhile, Sephardi Chief Rabbi Eliyahu Bakshi-Doron, who has generated controversy by suggesting that the councils be abolished altogether, caused another uproar this week by calling Reform Jews "more dangerous to the Jewish people than the Holocaust."

He later said he never meant to compare Reform Jews to the Nazis, but wanted to make the point that Reform Jews had not learned from the Holocaust and were encouraging assimilation.

Among those criticizing Bakshi-Doron for his remarks was Moshe Kaveh, president of Bar-Ilan University.

"We have to combat assimilation through education, not battle each other with intemperate, divisive statements," he said.

(JTA staff writer Debra Nussbaum Cohen in New York contributed to this report.)

Canadian Holocaust-denier loses lawsuit

By Bill Gladstone

TORONTO (JTA) — A Canadian judge has ruled that legislators did not violate the rights of a Holocaust-denier when they voted unanimously to bar him from holding a press conference last year in a Parliament building.

The legislators probably banned Ernst Zundel from the precincts of Parliament Hill in order "to preserve the dignity and integrity of Parliament," said Justice James Chadwick.

According to Chadwick, the politicians did not prohibit Zundel from speaking, only from using a room in Parliament that is often made available to persons and organizations involved in some aspect of government business.

The ruling throws out Zundel's lawsuit, in which he was seeking millions of dollars in damages.

In the lawsuit, he named all five of Canada's national political parties as well as party leaders, members of Parliament and government ministers.

The lawsuit also named the Canadian Jewish Congress, whose complaints to government ministers and legislators led to the parliamentary motion that prevented Zundel from holding the conference.

JEWISH WORLD

Albright addresses Russian hate

The international community is disturbed by the recent increase in anti-Semitic statements in Russia, U.S. Secretary of State Madeleine Albright told members of non-governmental and religious groups in Moscow. She added that those gathered in the audience provided hope that Russia would have a better future.

Group calls for end to Israel aid

A group daiming more than 900 members of the clergy, including a handful of rabbis, called on the Clinton administration to end U.S. aid to Israel and the Palestinian Authority because of human rights violations. Aid should go to non-governmental organizations seeking peace instead of the governments, but only after the violations cease, the Search for Justice and Equality in Palestine/Israel said in a statement delivered to U.S., Israeli and Palestinian officials.

Boycott threatened over crosses

The union that handles baggage at Newark Airport is threatening to boycott Poland's national airline if the situation regarding crosses recently placed near the site of the former Auschwitz death camp is not resolved. The announcement of the boycott, which would take effect March 1, occurred at a protest in New York City calling on the pope to intervene to bring down the crosses, which were erected last year by Catholic fundamentalists.

Germany arrests neo-Nazis

German police are filing charges against 13 neo-Nazis whom they arrested last weekend during a meeting in a Bonn restaurant.

The extremists, some of whom already have police records, will be charged with disseminating neo-Nazi material. The meeting was discovered after local policemen heard loud music coming from the restaurant.

Dutch queen halted war refuge

The wartime queen of the Netherlands prevented the construction of a refugee center for Jews in 1939, according to a recent Dutch newspaper report. Queen Wilhelmina, who led the Dutch Resistance from exile later in the war, reportedly objected to the center because it would have been placed too close to her palace.

Jewish newspaper faces crisis

A German-language Jewish newspaper said it will cease operations in mid-February unless it can solve its financial problems. The Aufbau, which has been published in the United States since 1934, is headquartered in New York City.

PBS documentary sheds new light on well-studied Arab-Israeli conflict

By Tom Tugend

LOS ANGELES (JTA) — Even for those who have lived through, or closely studied, Israel's fortunes over the last half century, a five-hour documentary that PBS aired this week on the history of the Arab-Israeli conflict held some surprises.

Perhaps the most startling revelations in "The 50 Years War: Israel and the Arabs," which was telecast Jan. 24 and 25, are the interviews with former top Soviet diplomatic and military officials, who clearly detail how they egged on their Egyptian and Syrian client states just before the 1967 Six-Day War by falsely insisting that Israel was massing troops at the Syrian border. In one of the mind-boggling historical asides that punctuate the documentary, the then-head of the Soviet bomber command reveals that his planes, disguised as Egyptian bombers, were ordered to attack Israel.

The plan was delayed, and then aborted, because his staff couldn't find the right paint to replace the Soviet insignias with the Egyptian colors.

Three years in the making and drawing on well over 100 interviews with key players and eyewitnesses, "The 50 Years War" is divided into six segments, grouped by both subject and chronology.

The first three segments, which aired on the first night, cover "Land Divided, 1948-56," "The Six-Day War, 1967" and "Palestinian Exiles, 1970-82." Second-night segments were "Peacemaking, 1970-79," "Banging Heads, 1987-91" and "Land Divided, 1992-98."

In the first segment, when the U.S. administration of President Truman is weighing whether to recognize the nascent Jewish state, we get a dark picture of then-U.S. Secretary of State George Marshall.

His opposition to recognizing Israel rested not only on strategic and geopolitical arguments, as previously reported, but on an emotional hostility toward the Israelis.

"They have stolen the land, they don't deserve the land," Truman adviser Clark Clifford remembers the revered general as saying about the Israelis.

A rare slow spot in the documentary is its coverage of the Madrid peace negotiations of the 1980s, whose behind-the-scenes intricacies likely bored all but professional historians of the period.

Zvi Dor-Ner, executive producer of the documentary for PBS station WGBH in Boston, which co-produced the film with the BBC London, discovered a few surprises while researching the work — even after decades of studying the conflict.

"I was astonished at how many opportunities both sides missed to negotiate seriously for peace," Dor-Ner said in an interview.

One of the best chances missed by the Arabs came at the end of the 1967 war, when Israel offered to return the Sinai Peninsula and the Golan Heights to the vanquished Arabs if they would recognize the Jewish state.

This Israeli generosity astonished even President Lyndon Johnson, who had earlier warned Israel against a pre-emptive strike, threatening: "If you act alone, you stand alone." But the Arabs rejected the offer out of hand.

The documentary does a highly commendable job of picking its way through the minefields of conflicting emotions and interpretations.

But this is unlikely to spare the series from criticism by partisans from both sides. Dor-Ner expressed some concern about the possible reaction from the more militant segments of the American Jewish community, which have frequently faulted PBS for its coverage of the Middle East conflict.

By virtue of his background, however, Dor-Ner is more easily open to attack by Arab partisans. Born in Poland, he started his career with Israeli television.

After 11 years as a cameraman, director and producer in Israel, he came to the United States on a Harvard fellowship and joined WGBH shortly afterwards.

Documentaries on the nuclear age, the space program and on the history of anti-Semitism — "The Longest Hatred" — rank among his acclaimed productions.

"In my heart, Israel holds a special place," he said. "As a professional journalist, I believe I have done a fair, factually correct and honest piece of work."

Veteran Likud Party hawk takes Israel's defense reins

By Naomi Segal

JERUSALEM (JTA) — Veteran Likud politician Moshe Arens has agreed to serve as Prime Minister Benjamin Netanyahu's defense minister.

Arens' decision came one day after he lost a bid to unseat Netanyahu as party leader.

According to the official results of Monday's Likud primary, Netanyahu received 81.7 percent of the vote to Arens' 18.7 percent.

Only 31 percent of the party's eligible 170,000 voters took part in the primary.

Netanyahu had offered the post to Arens, 73, after he fired Yitzhak Mordechai on Saturday night for negotiating with several centrist politicians who are mounting a challenge to the prime minister.

Mordechai, in turn, announced Monday night that he is running as the prime ministerial candidate of the centrists, who also include former army chief Amnon Lipkin-Shahak, former Likud Knesset member Dan Meridor, and former Tel Aviv Mayor Roni Milo.

Like Mordechai, Meridor is a former member of Netanyahu's Cabinet.

Netanyahu announced Arens' decision at a news conference Tuesday at which he was flanked by Arens and Foreign Minister Ariel Sharon.

Pointing out that Arens twice served as defense minister for previous Likud governments, Netanyahu said Arens is "widely regarded as one of the most experienced and knowledgeable people regarding the state of Israel's security."

Netanyahu said he, Sharon and Arens would be the team to lead Likud to victory over the Labor Party in the elections, which are scheduled for May 17.

The prime minister made no reference to the centrist challenge led by Mordechai.

While Mordechai had been perhaps the most moderate member of Netanyahu's Cabinet, Arens joins Sharon in holding long-standing hawkish views.

Arens' stance on the peace process prompted members of the left-wing Meretz Party to say that they would oppose his appointment when it comes up for Knesset approval later this week.

Arens had served as Netanyahu's political mentor at the start of the premier's political career.

The long-time Likud politician also helped Netanyahu to become Israel's ambassador to the United Nations in 1984.

But he became increasingly critical of the premier's leadership and policies following Netanyahu's election in 1996. Earlier this month, Arens said he launched his bid for the party leadership to rescue Likud from a "deep crisis."

Arens denied Tuesday that he had demanded guarantees from Netanyahu regarding his position in the government should the Likud win the upcoming elections.

Arens also rejected suggestions that he could achieve little in the time remaining before the vote.

"Four months of security for the state of Israel is a very long period," he said.

Judge in California rules firm must face Holocaust-era lawsuit

By Tom Tugend

LOS ANGELES (JTA) — In a precedent-setting decision, a Los Angeles judge has ruled that European companies can be sued in California courts for non-payment of life insurance policies dating back to the Holocaust era.

Monday's ruling stemmed from a \$135 million suit against Italy's largest insurance firm, Assicurazioni Generali.

But the decision that Generali must face trial here over the lawsuit may also be applied to other European insurers and more than 6,000 Holocaust survivors living in California.

"Let this landmark ruling be the shot heard around the world that it will not be business as usual for insurance companies accused of stonewalling Nazi victims," said attorney Lisa Stern.

She is a member of the Stern family of Los Angeles, which filed the \$135 million suit a year ago on behalf of family members living in Los Angeles, New York and Miami, as well as in Israel and England.

All are descendants of Moshe "Mor" Stern, a wealthy wine and spirits producer in prewar Hungary who had six sons and a daughter.

Between 1929 and 1939, he took out large insurance policies through Generali's Prague office.

Moshe Stern, his wife and three sons perished in Auschwitz. When a surviving son tried to initiate a claim with Generali in June 1945, he was turned away.

The family testified that Generali stonewalled all requests ever since.

In her ruling, Superior Court Judge Florence-Marie Cooper rejected the firm's assertion that it is not subject to the jurisdiction of a California court in a matter originating in a foreign country.

Cooper pointed out that a Generali-owned subsidiary does substantial business in California.

She also cited a law, passed by the California legislature last year, which specifically authorized state courts to deal with cases such as that brought by the Stern family.

In a move reflecting the significance they attributed to the case, officials of the Jewish Federation of Greater Los Angeles appeared in court to support the Sterns. In addition, California Insurance Commissioner Chuck Quackenbush dispatched a private lawyer to file a friend-of-the-court brief on behalf of the plaintiffs.

A trial date is to be set March 25.

William Shernoff, the lead attorney for the Stern family, said, "It is now apparent that California will lead the way in getting justice for Holocaust survivors in their insurance cases."

Generali officials said they will appeal the judge's ruling.

Along with several other European insurers, Generali was targeted last year by a task force of U.S. insurance commissioners investigating unpaid prewar policies.

In a series of hearings hosted by the commissioners last year, numerous witnesses charged that the European firms have been stalling for 50 years to avoid payment on policies taken out by Jews in prewar years.

The commissioners believe that Generali, one of the largest insurers of Jews in prewar Eastern Europe, could be liable for as much as \$1 billion.