



# Daily News Bulletin

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82<sup>nd</sup> Year

## TOP NEWS IN BRIEF

### Rabin slaying yields new charge

An Israeli court charged a former informer for Israel's domestic security service with failing to prevent the assassination of Prime Minister Yitzhak Rabin in 1995.

According to prosecutors, Avishai Raviv, who was recruited to join the Shin Bet in 1987, failed to inform his handlers that Yigal Amir planned to hurt or assassinate Rabin. [Page 3]

### Weizman visits China

Israeli President Ezer Weizman began an official state visit to China aimed at boosting trade, scientific and cultural ties between the countries.

During the trip, Weizman, who was accompanied by a business delegation, was expected to sign a number of cooperation agreements in various areas, including a \$60 million communications and technology accord.

### Pressure increased on banks

French banks stole billions of dollars from Jews and other groups during World War II and then transferred the money to North Africa, according to a 1943 CIA report.

The partial release of the report by the World Jewish Congress comes as the group is stepping up its pressure on European banks to settle claims dating from the Holocaust era.

### Swiss court rules against refugee

The Swiss Supreme Court ruled last Friday that the government should not open an investigation into the case of a Jewish refugee whom Swiss border guards handed over to Nazi Germany in 1943.

Joseph Spring, 72, who now lives in Australia, had demanded about \$67,000 in compensation from Switzerland.

But the Swiss government denied his request last June.

### Britain to open Shoah museum

Britain's first national Holocaust museum will focus on the kind of prejudice that led to the deaths of 6 million Jews during World War II.

One display in the \$12 million museum, which is scheduled to open in the city of Manchester in 2005, will depict modern manifestations of racism. [Page 3]

## NEWS ANALYSIS

### Political conflict over Jerusalem again has Orient House at center

By Gil Sedan

JERUSALEM (JTA) — A stately 100-year-old mansion in eastern Jerusalem has repeatedly been the focal point of Israeli-Palestinian tensions over the city both sides claim as their capital.

Now, with Israeli elections only a few weeks off, and with Palestinian Authority Chairman Yasser Arafat still mulling whether to declare statehood when the interim period of peacemaking ends next week, Orient House has once again become the object of a tug of war.

Last week, Israel called for the closure of offices at Orient House, which serves as the Palestinian Authority's de facto headquarters in Jerusalem.

The closure order against Orient House was issued by the Security Cabinet after the top Palestinian official in Jerusalem, Faisal Hussein, hosted some 30 diplomats there on April 21 — Israel's Independence Day.

The order may take some time to implement through the proper legal channels, which will give Palestinian officials the opportunity to appeal the decision.

Indeed, one Palestinian lawyer vowed to appeal the order all the way to Israel's High Court of Justice.

Just the same, the Security Cabinet's decision was the latest sortie in the ongoing political battle for Jerusalem.

Defending the order, Prime Minister Benjamin Netanyahu described Hussein's decision to host the meeting as an example of "unusual chutzpah."

Not only had the meeting taken place on the day marking Israel's 51st birthday, the premier said, but Hussein had greeted the diplomats by saying: "Welcome to the capital of the Palestinian people, Jerusalem."

"The people of Israel are not willing to tolerate this," said Netanyahu, "and I am not willing to tolerate this."

Critics of Netanyahu — Israelis and Palestinians alike — linked the closure order to the election campaign.

For his part, Hussein, who serves as the Palestinian official responsible for Jerusalem affairs, said there was nothing new about the meeting with the diplomats; indeed.

He had held "thousands" of similar meetings in the past, with no Israeli intervention, Hussein added.

In the past, Netanyahu has explained the lack of Israeli action against Orient House by downplaying the importance of those meetings, Hussein said.

Hussein acknowledged that he referred to Jerusalem as the capital of the Palestinian state — "just as you refer to it as the capital of Israel."

He also accused the Israeli government of trying to sow unrest between Jerusalem's Arab and Jewish residents.

Hussein added that the Netanyahu government is attempting to return to the "days before" the Oslo peace accords, which call for the two sides to discuss Jerusalem — probably the most difficult issue that faces them — as part of the final-status negotiations.

Warning that if Israel were to close Orient House, "the possibility of making peace would disappear," Hussein cautioned, "Don't push us."

The closure order was also criticized at home. Political observers noted that the

## MIDEAST FOCUS

### Poll: Race a virtual tie

Israeli Prime Minister Benjamin Netanyahu and Labor Party leader Ehud Barak are running virtually neck and neck in the race for prime minister, according to an opinion poll published last Friday.

The survey, conducted by Gallup and published in the Ma'ariv newspaper, showed that Netanyahu would receive 36 percent of the vote if the May 17 election were held now, while Barak would receive 34 percent. Yitzhak Mordechai trailed with 11 percent.

### Sharon to visit Vatican

Israeli Foreign Minister Ariel Sharon is expected to arrive in the Vatican on Monday to discuss a conflict over a proposed mosque in the Israeli city of Nazareth.

Christian leaders in Israel have threatened to call off millennium celebrations next year if the mosque is built.

### Israel again grounds jets

Israel's air force grounded part of its F-16 fleet for the second time in a month after learning of a malfunction in the same model plane used by the Greek Air Force.

The move comes as Foreign Minister Moshe Arens is in the United States, where he is visiting plants that manufacture both F-15 and F-16 jets. The F-16 planes were grounded earlier this year following a series of accidents involving engine problems in the jets in both the U.S. and Israeli air forces.

### U.N. panel blasts Israel

The U.N. Commission on Human Rights adopted a resolution last Friday condemning Israel for detaining thousands of Palestinians without trial and the "expropriation of Palestinian homes" in eastern Jerusalem. The resolution, which also accused Israel's government of contempt for the principles of the Middle East peace process, was adopted by the commission at its annual six-week session in Geneva.



## Daily News Bulletin

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order reflected the Likud Party's election strategy of showcasing Netanyahu as the custodian of Israel's "eternal capital."

Often a critic of the premier's policies in the peace process, President Ezer Weizman said he did not believe that the "sensitive issue of Jerusalem should be blown up over Orient House.

"Maybe it's necessary to calm down a bit," he added.

Two of Netanyahu's rivals in the race for prime minister also criticized the move. Yitzhak Mordechai, the Center Party candidate, urged the premier to remove the Jerusalem issue from the election campaign.

Ze'ev "Benny" Begin, the leader of a right-wing bloc in the race for prime minister, described the measure as "artificial, too little, and too late."

The Palestinian press, by Arafat's order, played down the significance of the closure order, hoping that the legal process surrounding it would drag on long past Israel's elections.

Orient House has functioned as the center of Palestinian activities in Jerusalem since the late 1980s, long before the launch of the Oslo process in 1993.

Husseini, whose family owned the building that once served as a hotel, established his offices there as the head of an "Arab studies society."

Orient House also served as his offices when he was head of the Palestinian negotiating team for the Madrid peace talks in 1991.

The closure order was the latest in a series of measures and countermeasures taken by both sides to establish facts on the ground in Jerusalem before the start of the final-status negotiations.

Israel, for example, has approved the construction of a new Jewish neighborhood at Har Homa in southeastern Jerusalem and supported Jewish purchases of Arab properties in the eastern portion of the city.

Israel has also pursued a policy of confiscating the Israeli identity cards and revoking the residency rights of former Arab residents after they spend lengthy periods abroad.

Earlier this month, Israel expelled a Palestinian minister, Ziad Abu Ziad, from Jerusalem, charging that he had engaged in political activities there on behalf of the Palestinian Authority.

And last month, Israel issued a directive to close three offices linked to the Palestinian Authority: a Palestinian prisoners club, the Wafa Palestinian news agency and a Christian affairs office.

As part of efforts to increase the Jewish presence in predominantly Arab eastern Jerusalem, a group known as the Zion Settlers recently took over 10 buildings in the Sheik Jarah neighborhood, located near Orient House, from which Palestinian residents were evicted by court orders.

Last week, an 11th building was taken over, and three Jewish families are planning to move into an additional three buildings.

Legislator Binyamin Alon, a member of the far-right Moledet Party who is one of the group's leaders, said of the campaign, "We are determined to create a Jewish territorial continuum" throughout Jerusalem.

As part of their ongoing Jerusalem campaign, the Palestinians have encouraged the return of former Arab residents to the city and repeatedly attempt to bolster the Palestinian Authority's presence in Jerusalem.

Moreover, Palestinian plainclothes police are known to operate in the city, the Palestinian Education Ministry controls the curricula of eastern Jerusalem schools — with the silent consent of the Israelis — and the Palestinians have established a variety of organizations in the city, including offices devoted to health, sports, statistics and vocational training.

All Israeli governments, including Netanyahu's, have accepted the Palestinian presence in Jerusalem.

Every now and then, Israeli leaders have flexed their political muscles, issuing one closure order or another.

But they have generally managed to live with a clear reality: The Palestinian Authority operates in Jerusalem to a much greater degree than any of them would openly admit. □

## JEWISH WORLD

### Polish Senate votes on crosses

The Polish Senate amended a law on Nazi death camps April 22, allowing the removal of 200 crosses that have been placed near the site of the Auschwitz death camp in the past year.

The amendment would let stand a large cross erected near Auschwitz that was used in a 1979 mass by Pope John Paul II. Polish Catholic activists erected the 200 smaller crosses to commemorate approximately 150 Poles who were executed by the Nazis during World War II. The measure now goes to Poland's lower house.

### German court backs survivors

A German court ruled April 20 that a historian specializing in the Holocaust must return all remaining tape recordings and documents that he borrowed from a survivors' group.

The Society of Survivors of the Riga Ghetto loaned Wolfgang Scheffler the materials in 1992, when they hired him to write a book about the ghetto, but Scheffler has yet to write the book, despite a contract that called on him to write the book within 28 months. In 1997, Scheffler repaid the more than \$100,000 he was given for the project.

### Moscow anti-fascist show opens

Performers from Russia, the United States and Israel kicked off an anti-fascist show last week in Moscow. The performance, timed to coincide with the anniversary of the state of Israel, launched a nine-day festival named after Solomon Mikhoels, a Russian Jewish actor murdered in 1948 at Stalin's orders. The festival includes what is believed to be the first-ever klezmer competition held in post-Soviet Russia.

### Polish Jewish leader fired

The umbrella organization for Polish Jews fired its treasurer and downgraded the status of two Jewish communities after a financial and political scandal.

The firing of treasurer Jakub Szadaj and the moves against the Gdansk and Poznan communities came after the Union of Jewish Communities alleged that Szadaj committed "very serious financial irregularities" and a "slandorous campaign" in the media against the Union's board and other Jewish organizations.

### Britain fears more racist attacks

British police fear that a bombing on Saturday in London could indicate the start of a wave of racist attacks by British neo-Nazis. Seven people were injured in the explosion in a predominantly Bangladeshi neighborhood, which was the second on consecutive Saturday afternoons.

## Former Shin Bet informant charged with failing to prevent Rabin murder

By Naomi Segal

JERUSALEM (JTA) — An Israeli court has charged a former informer for Israel's domestic security service with failing to prevent the 1995 assassination of Prime Minister Yitzhak Rabin.

According to prosecutors, Avishai Raviv, who was recruited to join the Shin Bet in 1987, failed to inform his handlers that Yigal Amir planned to hurt or assassinate Rabin.

Raviv, known as "Champagne" by his Shin Bet handlers, was also charged Sunday with supporting a terrorist organization for his involvement in founding the extremist group Eyal that allegedly supported violence.

If he is found guilty of all charges, he faces up to seven years in prison. Raviv and Amir knew each other from their student days at Bar-Ilan University.

Declassified portions of a government report issued in 1997 said Raviv failed to tell the Shin Bet about Amir's repeated boasts that he was planning to kill Rabin.

"Raviv was closer to [Amir] than anyone else in organizing student demonstrations and weekends in Judea and Samaria," the Shamgar Commission report said, adding that it was surprising "that in his report on Yigal Amir, he did not mention or hint at Amir's known statements about plans to attack the prime minister, which he voiced more than once in his circle of friends."

The report also described how Raviv repeatedly attacked Arabs, initiated attacks against Jewish settlement leaders he considered too moderate and repeatedly told friends, including Amir, that the assassination could be justified on religious grounds.

In a separate development, a Tel Aviv court rejected an appeal from Amir's friend, Margalit Har-Shefi, who was sentenced last year to nine months in jail on similar charges.

Har-Shefi's attorney said she planned to file an appeal with Israel's Supreme Court. Amir is serving a life sentence for Rabin's murder. □

## Britain's first Holocaust museum to focus on modern prejudice as well

By Douglas Davis

LONDON (JTA) — The primary purpose of Britain's first national Holocaust museum will be to focus attention on the kind of prejudice that formed the foundation for the murder of 6 million Jews.

Indeed, one display will depict modern manifestations of racism.

"In this way, we can show that the attitudes that caused the Holocaust still survive," said Bill Williams, a historian and the chairman of the project.

Leaders of Britain's Jewish community unveiled plans last week for the \$12-million Shoah Center, scheduled to open in 2005 in the city of Manchester.

The museum was designed by architect Daniel Libeskind, who recently completed the Jewish Museum in Berlin.

The Manchester museum will be composed of the architect's trademark "fragments," representing the shattered shards of the globe, with each splinter housing a display.

The museum's exhibits will not emphasize the emergence of the Nazis or their tools of genocide, but on the experience of their victims. "It will be about how the Holocaust was experienced by individuals, families and communities."

Williams said that while visitors would have difficulty relating to the "anonymous number" of the 6 million who perished in the Holocaust, "we believe that people can come to terms with the enormity of it by seeing the victims as individuals, by seeing the Shoah as 6 million stories."

He said the exhibition would rely heavily on oral testimonies. "There will be lots of sound and photos," he said, "but not of Hitler." □

## Jewish groups: Holocaust-era insurance talks taking too long

By Avi Machlis

JERUSALEM (JTA) — Four months after the International Conference on Holocaust Era Insurance Claims began seeking a compromise between Jewish organizations and European insurers for paying claims dating back to the Holocaust era, Jewish groups are getting restless.

The World Jewish Congress and Israeli delegates to the conference are warning that the commission will face a crisis if progress is not made in negotiations with European insurance companies when all the delegates meet next week in London.

"If we don't have a breakthrough, the commission will be in trouble," said Bobby Brown, a conference delegate who serves as Prime Minister Benjamin Netanyahu's adviser on Diaspora affairs.

"If we do not have names to publish or a claims procedure by June, and the auditing aspects are not in place to the agreement of everyone, we will all have to reconsider our positions."

The commission was created last year to solve the problem of insurance policies dating back to the Holocaust that were never paid to policyholders or their heirs. The insurers, faced with lawsuits totaling billions of dollars, agreed to participate in the commission as a means of settling those claims.

Based on its research into the unpaid policies, the WJC has put their value at between \$2 billion and \$2.5 billion in today's currency — 10 times their value in postwar dollars.

Commission participants include Jewish organizations, the Israeli government, U.S. and European insurance commissioners and five companies who insured Holocaust victims — Assicurazioni Generali of Italy; Germany's leading insurer, Allianz Holding; France's AXA Group; and the Winterthur and Zurich insurance firms in Switzerland.

Generali officials responded to the warning by saying they are committed to finding a compromise formula.

The Israeli government is playing a prominent role in the insurance talks, and in June the commission will meet in Jerusalem.

Elan Steinberg, executive director of the World Jewish Congress, said last Friday it is time to achieve tangible results.

"Important progress has been made in establishing this commission and adopting some critical guidelines," he said. "But now we are faced with the rather obvious challenge of making it concrete to those who it most affects — the claimants."

Much of the onus will fall on Lawrence Eagleburger, a former U.S. secretary of state serving as the commission's chairman, who has been praised by all sides for his determination to forge a compromise.

In a telephone interview with JTA, Eagleburger rejected accusations that the commission has been moving too slowly.

"We haven't moved as fast as I know an aging population should expect," he said, referring to Holocaust survivors and their heirs.

"Having said all of that, this commission has been effectively in business for [only] four months."

Should a showdown between Jewish organizations and insurance companies emerge, said Eagleburger, the process for claimants would likely be drawn out much longer.

"But the fundamental point is, if we do not start paying some

claims soon, I myself will be more than a little bit critical," he said. "I hope we can at least start payment of claims shortly after the May meeting."

For this to happen, several sticking points must be overcome, including how to deal with companies who say their assets were nationalized after World War II and maintain that they are therefore not liable to claimants, how to value dormant insurance policies and how to publish lists of policyholders.

The gulf is particularly wide on the issue of appraising policies. Insurance groups insist valuations be based on a policy's original currency, many of which are virtually worthless today.

Jewish groups want to convert policies into a stable currency and apply a compound rate of interest.

Meanwhile, JTA has learned that the \$12 million Israel-based fund that Generali established last year is valuing policies in line with the Jewish groups' position.

"We are assessing how much the policy was worth then in dollars, and then applying historical indicators of the U.S. government," said Meir Lantzman, general manager of the Generali fund.

"On average, it comes out to about 10 times the original value."

But Kenneth Bialkin, a partner at a New York law firm who was recently appointed to represent Generali on the commission, insists this is not a precedent, since the fund operates independently of the commission.

The appointment of Bialkin, a veteran Jewish lay leader who served as chairman of the Conference of Presidents of Major American Jewish Organizations and director of the Anti-Defamation League, has sparked some controversy.

In the context of the commission, he may find himself pitted against representatives of major Jewish organizations and the Israeli government.

"If he wants to be a force for finding solutions, he certainly comes with the skills and background to do it," said one commission delegate, speaking on condition of anonymity.

"But if he comes to 'deliver the Jews,' he will get beaten up. Let's not forget — he is on the payroll of Generali. His job is to make this thing go away."

Yet some commission members — including Eagleburger — believe Bialkin could be a positive force for compromise.

Bialkin views his presence on the commission in the same way.

"As a Jew and a person concerned with Holocaust issues, I believe our community is not benefitting from the acrimony of these debates. Compromise is the only thing that will benefit all sides," Bialkin told JTA. "We need to bring this to an end." □

## Netanyahu excluded from stamp

JERUSALEM (JTA) — Israeli Prime Minister Benjamin Netanyahu is being excluded from a stamp the Palestinian Authority is planning to issue this week commemorating the Wye accord.

President Clinton and Palestinian Authority Chairman Yasser Arafat are featured on the stamp, which was created from a photograph of the three leaders signing the accord at the White House last October.

Netanyahu was cropped out from the photograph because the stamp "commemorates those who have invested a lot of effort in peace," a Palestinian postal official said last week. □