



# Daily News Bulletin

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82<sup>nd</sup> Year

## TOP NEWS IN BRIEF

### **Poll predicts Barak victory**

The field of candidates for Israeli prime minister narrowed to two Sunday after Center Party leader Yitzhak Mordechai and right-wing candidate Ze'ev "Benny" Begin dropped out of the running.

A poll released Sunday said Labor Party candidate Ehud Barak will receive 55 percent of Monday's vote, to 44.5 percent for Prime Minister Benjamin Netanyahu. [Page 3]

### **Police plan election day security**

Israel's police commissioner said Sunday that special precautions are being taken in preparation for possible violence and voter fraud during Monday's balloting. The nation's election campaign has been fraught with ethnic tensions and social friction.

On Sunday, police detained two people suspected of beating an Israeli television crew that was filming a report on confrontations between rival party activists campaigning at a traffic intersection in central Israel.

### **Sheinbein trial delayed**

The trial in Israel of an American teen-ager who fled to Israel in September 1997 after he allegedly committed a murder in Maryland was adjourned for one month.

Sunday's move in the trial of Samuel Sheinbein came at the defense's request, which wanted additional time to seek more evidence.

### **Chase, Jewish groups reach pact**

Chase Manhattan Bank and Jewish groups reached an agreement last Friday aimed at settling charges that two of the bank's branch offices in France froze Jews' wartime accounts before the Nazis ordered them to do so. The agreement calls for an independent probe of the branches' conduct and possible payments to former Chase customers.

### **Abdullah visiting Washington**

Jordan's King Abdullah is in Washington for a visit that includes a meeting Tuesday with President Clinton, a Monday session with Secretary of State Madeleine Albright and a host of meetings with members of Congress and American business leaders.

Abdullah, who is on his first visit to the United States since becoming king, is seeking debt forgiveness from Western countries and increased U.S. foreign aid.

## **Arab Americans want to correct 'imbalance' at State Department**

*By Matthew Dorf*

WASHINGTON (JTA) — A broad coalition of Arab-American groups has launched a campaign to correct what it calls the "imbalance" of American Jews working in the Clinton administration.

The effort to convince the Clinton administration to hire more Arab Americans to work at the State Department and White House comes on the heels of the resignation of a State Department aide who has come under fire for his criticism of Israel.

The campaign is "a very direct result of appointments that have come over the last several years," said James Zogby, president of the Arab American Institute.

Zogby's son Joseph was the aide who resigned.

Referring to at least half a dozen American Jews in senior foreign policy positions, Zogby said "it is not an issue we feel comfortable in raising. I do not like to get into how many people are Jewish, how many are Arab American." But this is an issue, he said, because of the "imbalance that exists."

But the call to hire people based on their ethnic background is drawing opposition from many in the Jewish community.

Abraham Foxman, national director of the Anti-Defamation League said the campaign is based on a "crude anti-Semitism."

Joseph Zogby, who was the only Arab American at the State Department, wrote at least two articles critical of Israel and U.S. Middle East policy before he was hired last year as a special assistant to Martin Indyk, the assistant secretary of state for Near Eastern affairs.

Last week Zogby rejected an offer to stay at the State Department, instead resigning to work as an attorney in the Justice Department's Civil Rights Division. Zogby had planned to make the move last month but put off his final decision to reconsider an offer to stay at the State Department, with a promotion, after the Zionist Organization of America led a campaign to force his ouster.

Both Zogby and Indyk did not want to appear as if they had caved in to pressure from Jewish groups, sources said.

Zogby is leaving because he is frustrated that Indyk has not hired more Arab Americans to work on Middle East policy at the State Department, according to sources familiar with the situation.

Citing State Department rules, Zogby refused to comment last week when contacted by telephone.

Although Zogby has moved on, the controversy is heating up and has reignited debate about the large number of Jews, including Indyk, who run the Clinton administration's Middle East policy. On May 12, Eleven Arab American groups across the political and religious spectrum lobbied the White House and State Department.

"Arab Americans have not sought to impose an ethnic-based hiring policy on the White House or State Department. But neither can we tolerate a policy where it appears that Arab Americans are excluded from policy positions in the administration," said Zogby, reading from a statement at a news conference last week.

Clinton administration officials agreed to establish a recruitment program for Arab Americans, hire more Arab Americans and meet monthly to follow up on the efforts, Zogby said.

At a news briefing last Friday, Indyk defended his department against charges that it lacks diversity. "There is no lack of diversity of opinion in the State Department, and

## MIDEAST FOCUS

### Terror suspected at army base

An officer and a member of an Israeli army commando unit were wounded last week in the West Bank by explosives believed planted by terrorists.

The two were taking part in an exercise when they tripped off the explosion in an army training field.

During the past two weeks, two pipe bombs were found near the West Bank settlement of Efrat and at the Har Homa building site in southeastern Jerusalem.

### Israeli hiker released in Colombia

An Israeli hiker taken hostage by a Marxist group in Colombia was released last Friday after two-and-a-half weeks in captivity.

Elad Lichtenberg, 24, had been kidnapped along with two other travelers, of British and Swiss nationality, in Santiago, Chile.

### West Bank clashes wound two

Israeli soldiers wounded four Palestinian demonstrators during clashes Saturday in the West Bank town of Hebron. The protesters were marking what they describe as the "catastrophe" of Israel's founding 51 years ago.

In another incident Saturday near the West Bank town of Nablus, Palestinians protested a move by Jewish settlers, who had brought in mobile homes to establish a yeshiva in the area. No arrests or injuries were reported.

### Rabin assassin admits defeat

Yitzhak Rabin's assassin last week admitted he has failed to kill the peace process.

Yigal Amir, who is barred from talking to reporters but allowed a Washington Post reporter to listen in on a phone conversation with his mother, said Prime Minister Benjamin Netanyahu deserved to lose Monday's election for having kept the peace agreements that Rabin negotiated.



## Daily News Bulletin

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that is as it should be as we go about trying to formulate policy," he said.

"However, the president and the secretary of state have made clear from the beginning of this administration that the U.S. government — and the State Department is no exception to that — should look like America in terms of its makeup.

"What we have said is, number one, that we think there should be more Arab Americans in the U.S. government and in the State Department, and that we will organize an outreach program to see if we can't recruit more of them to the Foreign Service," he said.

Controversy over Zogby's appointment began after the ZOA released two published letters written in 1998 from Israel and the West Bank in which he criticized the Oslo peace accords for producing "swiss-cheese cantons and de jure discrimination." It is "undeniably accurate" that the Palestinians live in an "apartheid state," he wrote. He also criticized the United States for "willful ineffectuality" and for not acting to "level the power imbalance between the two parties, allowing Israel to unilaterally impose its interpretations of the Oslo accords."

Zogby also accused Israel of abusing human rights and acting like a colonizer, similar to the "genocidal treatment of the Native Americans and enslavement of African Americans."

Zogby grew up in the United States but spent two years in Israel and the West Bank. He founded the Palestine Peace Project, which brings American lawyers and law students to land under the Palestinian Authority's control to volunteer with local legal and human rights organizations. Although Indyk has expressed support for Zogby, he criticized his aide's views on Israel as "distasteful and disturbing" and said that "the views he expressed then are not acceptable to me or to this administration."

ZOA President Morton Klein refused to comment directly on Zogby's decision to leave and instead criticized the Clinton administration's Middle East policy.

"Zogby's departure still leaves unanswered the more important question as to how an administration which claims to be pro-Israel could hire someone" who has published articles that "call Israel an 'alien oppressor,'" Klein said.

But it is precisely Klein's campaign that has Arab-American groups calling for change at the State Department and White House.

"I cannot accept a situation where they have a sign 'Arabs need not apply,'" James Zogby said.

The only way to change this is "to bite the bullet and to break the glass ceiling," he said. Zogby compared the campaign to a successful 1979 effort to convince the State Department to hire black Americans to work on African issues.

But the campaign is not only about jobs for Arab Americans, it's also about the record number of Jews working in the State Department Middle East bureau. "That to me is anti-Semitism because they view all Jewish Americans in the State Department as not representative of America but of the Jewish community," Foxman said.

"I do not believe this is a Jewish State Department. It's an American State Department," Foxman said.

Zogby denied any anti-Semitic motive and said the campaign is about bringing balance to the Clinton administration's Middle East policy.

"I'm not going down that road," he said.

Indyk "should not be judged on his religion or ethnicity but on performance," he said.

"We're talking about an imbalance in appointments," Zogby said.

He added, "If the peace process team were all Arab American would Israel be sitting down at the table?"

But others in the coalition have been more critical of the large number of Jews setting U.S. Middle East policy.

"American policy has suffered from the narrowness of the community which has input," said Hussein Ibish, director of communications for the American Arab Anti-Discrimination Committee.

"It should not exclude one group," he said.

But at the same time Jews should not be excluded, Ibish said. "If there were no Arab or Jewish Americans involved in the Near East policy-making apparatus it would be a real, genuine squandering of resources." □

## JEWISH WORLD

### Court rules against prayer

A Florida school district's practice of allowing prayer during graduation ceremonies, if students vote to have them, was struck down as unconstitutional last week by a federal appeals court.

The 2-1 decision by the 11th U.S. Circuit Court of Appeals, which overturned a lower court's ruling that students have a First Amendment right to pray at graduation, held that the district's policy "coerces objecting students to participate in prayer" and therefore violates the constitutional guarantee of free exercise of religion. The American Jewish Congress, which filed a friend-of-the-court brief opposing the school's policy, hailed the decision.

### Suit filed against Hugo Boss

Lawyers for Holocaust victims filed a lawsuit against German clothing maker Hugo Boss for its use of slave laborers during World War II.

Allegations against the company, which made uniforms for the Hitler Youth and the German Army during the war, first surfaced in 1997. The suit, filed May 13 in a U.S. District Court in New Jersey, also named several new companies that have not been targeted by previous similar lawsuits.

### AIPAC plans Webcast

The American Israel Public Affairs Committee plans to broadcast on the Internet portions of its 40th Annual Policy Conference May 23-25 in Washington.

Among the events at the pro-Israel lobby's gathering that will be broadcast live are the May 23 opening plenary, which will feature an address by Israeli Attorney General Elyakim Rubinstein, and an address that evening by Vice President Al Gore. The live broadcasts will appear on [www.aipac.org](http://www.aipac.org)

### First female rabbi remembered

The first European conference of female Jewish community leaders opened May 13 in Berlin with a tribute to the world's first female rabbi.

Representatives of synagogues and Jewish communities from across Europe remembered Rabbi Regina Jonas, a Berlin Jew killed at Auschwitz in 1944, and lamented what they said had been a lack of progress in integrating and promoting women in European Jewry since her time.

### New L.A. center opens

A daylong ceremony scheduled for Sunday marked the opening of a center that will house three Los Angeles-area Jewish institutions.

The Jewish Heritage Center will contain the Los Angeles Museum of the Holocaust, the Jewish Community Library and the Jewish Historical Society of Southern California.

## 11th-hour drama reshapes race, leaves two contenders for premier

By Naomi Segal

JERUSALEM (JTA) — Israel is poised for a change in leadership, according to a poll released Sunday.

Labor Party candidate Ehud Barak will receive 55 percent of Monday's vote to 44.5 percent for Prime Minister Benjamin Netanyahu, said the poll, published in the Israeli newspaper Globes.

The poll, which asked 1,000 Israelis which of the two candidates they would vote for and had a 3 percent margin of error, was conducted when there were still five candidates in the race. But by Sunday the field narrowed to two, following 11th-hour campaign dramas in which the three other candidates dropped out.

One day before Israelis were heading to the polls, Center Party leader Yitzhak Mordechai and right-wing candidate Ze'ev "Benny" Begin dropped out of the running. Their announcements came after Israel's first Arab candidate for prime minister, Azmi Beshara, withdrew the night before.

Reacting to the announcements, Netanyahu reiterated his charge that a vote for Barak would be a vote for a left-wing coalition that depended on Arab parties.

At a news conference Sunday, he claimed that Beshara's withdrawal had been coordinated with Palestinian Authority Chairman Yasser Arafat. The prime minister also tore into Mordechai, whom Netanyahu fired as his defense minister in January before Mordechai announced his decision to abandon Likud for the centrist grouping.

"Itzik Mordechai, look the people in the eyes," Netanyahu said, echoing a phrase Mordechai had used in a recent televised debate between the two. "Where is your credibility? How can they stand behind you when you join such a left-wing coalition which will concede on all fronts?"

For his part, Barak denied that Mordechai's decision was the result of any backroom dealing, but he did add Sunday that the centrists would "no doubt be an important part of any government we set up after the elections."

He also denied Netanyahu's claim that he had reached a deal with Beshara.

Announcing Saturday night that he was withdrawing from the race, Beshara did not endorse Barak, but he said the list Barak heads would advance the Arab-related issues that had prompted him to run in the first place.

When Mordechai announced his withdrawal Sunday, he described the move as "one of the most difficult" decisions he had to make in his life.

Until Sunday, Mordechai had defied pressure to withdraw — some of it from other members of his party — publicly insisting on his determination to run.

He attributed his change of heart to poll results and the realization that "I would not be able to achieve the primary goal of changing the leadership."

"The prime minister was given a chance and he failed," Mordechai said. "We must give Barak a chance."

He, too, insisted that he made no deals with Barak.

Later Sunday, Begin made his announcement without calling on his supporters to back any prime ministerial candidate. Throughout the campaign, the son of the late Prime Minister Menachem Begin had remained noncommittal about the future of his bid, saying he would re-evaluate it as necessary.

Knesset member Rehavam Ze'evi, a member of the Moledet Party who is running as the No. 2 person on the list headed by Begin, said Sunday that he would vote for Netanyahu, but added that he would not formally endorse the premier.

Meanwhile, Israel's Central Election Commission was studying how to handle ballots already cast for prime ministerial candidates who have dropped out of the race.

Israeli diplomats and emissaries abroad cast their ballots earlier this month, while soldiers serving in southern Lebanon and in the West Bank and Gaza Strip began voting Sunday.

In one base in the West Bank, election observers on Sunday removed the ballots for Mordechai after hearing of his withdrawal. But they were ordered to return them until a formal directive was issued by the commission. □

## U.S., Germany press to meet deadline for slave laborers fund

By Daniel Kurtzman

WASHINGTON (JTA) — Negotiations aimed at compensating tens of thousands of Holocaust survivors used as slave and forced laborers during World War II will have to move rapidly in order to meet a Sept. 1 deadline, Jewish representatives said at the conclusion of U.S.-led talks aimed at resolving the issue.

In what was described as a first step toward settling numerous lawsuits and other claims brought by survivors against German industrial companies accused of profiting from Nazi war crimes, the State Department played host last week to all sides in the dispute, including representatives of the companies, Jewish negotiators, lawyers for Holocaust victims and government officials from eight countries.

The United States and Germany want an agreement by Sept. 1 in time to mark the 60th anniversary of the outbreak of World War II.

"If we're all to succeed we have to make progress very, very quickly," said Gideon Taylor, executive vice president of the Conference on Jewish Material Claims Against Germany, which is negotiating on behalf of the Jewish community.

The parties agreed May 12 to establish two working groups, one to set rules for eligibility for payments from a compensation fund, and the other to deal with ways to assure legal closure for the German companies, said U.S. Undersecretary of State Stuart Eizenstat, who presided at the conference with Bodo Hombach, chief of staff for German Chancellor Gerhard Schroeder.

Eizenstat said the issues still to be resolved include determining who would benefit from the compensation fund and how the fund would be operated.

The issue of legal closure also continues to divide the lawyers and the German firms, who want assurances that a settlement will provide immunity from any future lawsuits against them.

So far, 15 German companies have pledged to set up a fund to pay reparations, initially estimated at up to \$1.7 billion. Sources said the German government may make a contribution as well.

Eizenstat said the process will deal with between 70,000 and 90,000 people, mostly Jewish survivors of concentration camps, who were classified as slave laborers.

Forced laborers, many of whom were not Jewish and were forced to work in agriculture and for the Nazi state, represent a much larger category, he said.

The two-day talks, which also included representatives of Germany, Israel, Poland, Russia, Ukraine, Belarus and the Czech Republic, marked the first time that German companies and lawyers representing slave and forced laborers have met to discuss a settlement.

Some of the lawyers left the meeting disappointed, saying that the two sides remain far apart.

Eizenstat, meanwhile, said that the participation of all sides marked a "significant accomplishment."

"It required a great deal of hard work and flexibility," said Eizenstat, who was nominated by President Clinton last week to serve as deputy treasury secretary. "Everybody laid their cards on the table for this historic enterprise."

As the administration's point man on Holocaust restitution

issues, Eizenstat has played a key role in recent years in helping to provide a moral and financial accounting of various countries' financial dealings with Nazi Germany

He will continue to carry that portfolio as he moves to the No. 2 slot at the Treasury Department.

Pending Senate confirmation, Eizenstat will succeed Lawrence Summers, whom Clinton tapped to succeed outgoing Treasury Secretary Robert Rubin. □

## Campaign against wartime pope criticized by Catholics, Jews alike

By Tom Tugend

LOS ANGELES (JTA) — Some Catholic and Jewish leaders are denouncing a campaign by Rabbi Marvin Hier of the Simon Wiesenthal Center against elevating wartime Pope Pius XII to sainthood.

Describing Pius XII as the "pope of the Holocaust," the center's founder and dean charged last week that throughout World War II, the pontiff "sat on the throne of St. Peter in stony silence, without ever lifting a finger, as each day thousands of Jews were sent to the gas chambers with his full knowledge."

While expressing his highest respect for the current pope, John Paul II, Hier said the Catholic Church's anticipated move in proposing Pius XII as a candidate for sainthood would "demean the meaning of sainthood" and "desecrate the memory of the Holocaust." He made his remarks as part of a wide-ranging address on the "State of World Jewry," delivered May 13 at the 92nd Street Y in New York.

He called on the Vatican to open its wartime archives, a move he said "would prove conclusively that Pius XII knew all about the 'Final Solution.'"

Hier also asked "every person of conscience, Jew and non-Jew, to write to Pope John Paul II, asking him not to go forward with Pius' nomination," because "such an act would rewrite history."

Catholic leaders interviewed by the Los Angeles Times sharply criticized Hier's remarks, warning that they could lead to a worsening of already strained relations between Catholics and Jews. Eugene Fisher, director of the U.S. Bishops' Secretariat on Catholic-Jewish Relations, denounced the charges as "a selective reading of history" and "patently absurd."

Some Jewish leaders also criticized Hier's remarks.

Rabbi Jack Bemporad of New Jersey, a leading figure in Catholic-Jewish dialogue, told the Los Angeles Times that the "Catholic Church is not going to change its attitude through these kinds of attacks."

Rabbi Harold Schulweis of Los Angeles, a leading voice in the Conservative movement, warned of a "general breakdown in Jewish-Catholic relations on the highest level."

The controversy comes at a time when some Catholic leaders believe that the Jewish community has failed to acknowledge far-reaching changes in the church's stance toward Jews.

In February, Cardinal Edward Cassidy, president of the Vatican Commission for Religious Relations with the Jews, noted that ties between the two faiths were threatened by a systematic campaign by one large group, reportedly the World Jewish Congress, "to denigrate the Catholic Church." □