



# Daily News Bulletin

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## TOP NEWS IN BRIEF

### Syria told to muzzle Hezbollah

Israeli Prime Minister Ehud Barak said he would not resume talks with Syria until Damascus reins in Hezbollah activities in southern Lebanon.

Barak issued the statement Monday after Hezbollah gunmen killed three Israeli soldiers and wounded at least four others during an attack on an Israeli patrol in southern Lebanon.

His statement also came one day after Hezbollah killed the second-highest-ranking officer in the Israel-allied South Lebanon Army.

Col. Akel Hashem was widely considered the future successor of SLA commander Antoine Lahad.

### 'Iran 13' may be tried soon

Thirteen Iranian Jews imprisoned last year on accusations of spying for Israel will face trial within a few weeks, according to an Iranian radio report.

The decision to start the trial soon was made at a meeting of senior judicial officials, the report added Monday.

### Action sought on death penalty

The Reform movement urged U.S. governors to declare a moratorium on the death penalty.

The call came after Illinois Gov. George Ryan announced he was imposing such a moratorium and naming a commission to investigate why more death row inmates have been exonerated than executed since capital punishment was reinstated in 1977.

Last year, the Reform movement joined with Catholic leaders in calling for the abolition of the death penalty.

### Barak: Probe won't hurt peace

Israeli Prime Minister Ehud Barak said a police investigation launched into his party's campaign finances would not hinder his efforts to reach peace accords with Syria and the Palestinian Authority.

"This government was elected to advance the peace process and to do it without any connection to any internal problem that could arise in Israel," he said after meeting with Egyptian President Hosni Mubarak in Cairo.

The police probe, which targets Barak's One Israel bloc and several other political parties, was launched after a state comptroller's report was issued last week. [Page 1]

## NEWS ANALYSIS

### Barak faces a credibility gap, just when he doesn't need it

By David Landau

JERUSALEM (JTA) — Prime Minister Ehud Barak and his closest political allies have been scrambling to limit the damage to their government following a scathing report on the financing behind Barak's election campaign last year.

The effort at damage control comes as Barak needs all the public support he can muster for his peace policies.

Barak's battle to defend his credibility is expected to go on for many months, following a one-two punch squarely aimed at the campaign finance of his One Israel bloc.

First came a report issued last week by State Comptroller Eliezer Goldberg, claiming that Barak's party and several others were guilty of illegal campaign funding practices.

The second blow came soon after, when Attorney General Elyakim Rubinstein decided to launch a criminal investigation of the parties' funding practices.

In the view of Barak's friends, as well as foes, his immediate reaction to the criminal probe was pretty lame.

According to the comptroller's report, Barak's One Israel bloc set up nonprofit organizations to funnel donations for his campaign against Likud incumbent Prime Minister Benjamin Netanyahu.

Among the alleged violations of these organizations, Goldberg said, was channeling money from abroad, in violation of campaign financing laws.

While the comptroller found allegations of widespread campaign financing violations in several parties, Goldberg singled out One Israel and its political leader, Barak, for the severest of the suspected violations.

The state comptroller fined One Israel some \$3.2 million, the Center Party, \$700,000, and the Likud Party \$125,000 for their activities.

Barak went on prime-time television last week to declare that he knew nothing of the intricate network of charitable foundations — known in Hebrew as "amutot" — that were set up by his campaign aides and through which funds were funneled to pollsters, activists in the field and others involved in the day-to-day work of the election campaign.

Barak reiterated during the television appearance what he had told Goldberg during his brief interrogation about the alleged irregularities — that he was too busy campaigning to know what was going on in the campaign.

But public reaction has been one of broad skepticism, not to say outright disbelief.

As prime minister, and previously as army chief of staff, the intellectually gifted Barak has made a name for delving into details. Many here find it hard to believe that he kept aloof from the details of his own campaign.

Barak is also claiming that the alleged misdeeds were not criminal because the attorney general himself, in two formal letters he wrote in 1997, had ruled that funneling funds through amutot was not a chargeable offense in the context of the prime ministerial elections.

Rubinstein's two letters, sent to Labor Party lawyers and signed by his top legal aide, pointed to gaps in existing statutes — namely that election finance legislation specifically applies to the Knesset elections, but has not been explicitly extended to cover the relatively new direct elections for prime minister. For this reason, the attorney

## MIDEAST FOCUS

### Syrian paper: Holocaust a myth

A state-run Syrian newspaper described the Holocaust as a myth. "Why does Israel insist on bringing up this alleged Holocaust policy?" the editor of Tishrin wrote Monday. "I believe Israel and the Zionist organizations have two aims. The first is to receive more money from Germany and other Western establishments on the pretext of compensation for the Holocaust."

The second aim, the editor wrote, "is to invest the myth of the Holocaust and accuse anyone opposed to Zionism and its expansionist policies of anti-Semitism."

### Campaign funding to be studied

Israel decided to establish a committee that will examine campaign funding. The decision was made in the wake of a report that found widespread campaign financing violations by several political parties.

Justice Minister Yossi Beilin asked Prime Minister Ehud Barak to create the committee, saying many of the findings of the report stemmed from the fact that the campaign financing law is unclear.

### Putin backs Palestinian rights

Russia's acting president issued a statement backing the "legal, national rights of the Palestinian people." Vladimir Putin made the statement Monday on the eve of multilateral peace talks in Moscow that are slated to bring together Israel and some of its Arab neighbors to discuss such regional issues as economic cooperation, water and refugees.

### Jerusalem plan explored

Israel's deputy defense minister suggested Jerusalem's boundaries could be expanded to accommodate Palestinian hopes for a presence in the city.

Ephraim Sneh's comments came as Israeli and Palestinian negotiators convened for a second day of intensive talks aimed at reaching an outline of a final peace agreement.

general explained at the time, he decided not to launch an investigation into alleged funding irregularities in Benjamin Netanyahu's successful campaign for prime minister in 1996.

Barak argues that the gaps in the existing laws reflect a glaring weakness in the system — and says he will initiate urgent legislation to set things right.

But regarding the 1999 election, he maintains, his campaign finance activities, while condemned and fined by the comptroller as administrative excesses, are not chargeable as criminal offenses.

This second line of defense put up by Barak in the immediate aftermath of Goldberg's report — and subsequently reiterated by his top ministers and aides — is supported by many independent jurists and other commentators.

Barak and his advisers are now trying to decide whether to risk taking their case to the High Court of Justice, where they would petition the justices to revoke Rubinstein's order to open a criminal investigation.

This would be a rare step for the court to take, but not an unprecedented one.

If Barak loses in the high court, however, his embarrassment and political travails would be exacerbated.

Rubinstein let it be known this week that he is concerned not only with the alleged violations of the election funding law but also with alleged irregularities among the long list of amutot that Barak's supporters used to channel funds.

Sources close to Rubinstein spoke of suspected breach of trust and fraudulent bookkeeping.

Two figures repeatedly mentioned in this connection are the Cabinet secretary, Yitzhak Herzog, and the campaign director, Tal Silberstein.

Briefing a Knesset committee Monday, Rubinstein said he would have been blatantly remiss in his duties had he failed to instruct the police to begin criminal inquiries.

"Anyone in my position would have done the same," he said.

As a third defensive measure, the beleaguered Barak has very deliberately sought to step up the pace of diplomacy and peacemaking.

He flew Sunday to Cairo to meet with Egyptian President Hosni Mubarak and was expected to meet with Palestinian Authority President Yasser Arafat later in the week. At the same time, teams of Israeli and Palestinian negotiators embarked on what was trumpeted as a marathon round of talks aimed at hammering out an outline of a final peace agreement before a mid-February deadline.

But Barak's attempts to invigorate the peace process, as a way of shifting attention from the campaign-funding scandal, seemed threatened by a dramatic downturn in southern Lebanon.

On Sunday, the second-in-command of the Israel-backed South Lebanon Army, Col. Akel Hashem, was assassinated when Hezbollah gunmen set off a bomb by remote control. Filmed footage of the attack sent crowds in Beirut wild with rejoicing.

Barak later promised that the perpetrators would be punished, while Israeli army officers worked overtime to dissuade the SLA from an orgy of revenge shellings that could ignite the entire front.

But by Monday, the specter of a flare-up loomed large after Hezbollah gunmen killed three Israeli soldiers and wounded five others during an attack on an Israeli patrol in southern Lebanon.

Barak has warned Syria, the leading power broker in Lebanon, that an escalation of Hezbollah activities would set back the prospects for peace.

In the wake of the latest developments in southern Lebanon, Israel and Syria flung recriminations at each other via the media — hardly the backdrop for Barak's hoped-for surge in peacemaking.

Worse yet, political analysts say Barak's domestic troubles could seriously hamper his prospects of winning a majority in the referendum he has promised on any future peace deals with Syria and the Palestinians.

Under constant attack from the Likud opposition, and haunted by his own less-than-convincing initial defense of his actions in the campaign-funding scandal, Barak could find his much-vaunted credibility fraying — just when he needs every bit of it to persuade the public to support the concessions that peace will require. □



## Daily News Bulletin

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## JEWISH WORLD

### E.U. may act against Austria

The European Union is preparing to take action against Austria if the far-right Freedom Party joins that country's government, France's foreign minister said. Hubert Vedrine declined to give details Monday, but sources said they might be announced soon.

### Awards planned for educators

In an effort to heighten recognition for Jewish education, a Massachusetts-based family foundation is offering \$75,000 a year to fund 50 recognition awards being granted to Jewish studies teachers.

Teachers must work at least eight hours per week and be nominated by their Jewish federation, which is required to raise \$1,000 to supplement the money from the Harold Grinspoon Family Foundation.

### Death march marked in Russia

A ceremony was held near a Russian town to mark a Nazi death march that took place 55 years ago. Mourners erected a plaque Sunday commemorating the thousands of Jews killed by Nazi machine guns at a mine near Yantarny on the Baltic Sea.

### FCC rules on religious programs

The Federal Communications Commission reversed an earlier decision that certain religious programming could not count as educational. The FCC took the action last Friday after coming under fire from religious broadcasters.

### Academic forum opens in Russia

A three-day conference on Judaic studies near Moscow is bringing together 400 scholars from around the world. The conference, which opened Monday, is organized annually by Sefer — The Center for the University Teaching of Jewish Civilization in Russia.

### Televangelist: Victims in heaven

A television evangelist jailed for defrauding his followers of \$158 million told CNN talk-show host Larry King he believed all the victims of the Holocaust are in heaven.

When King asked Jim Bakker if this meant "you don't have to believe in Christ to go to heaven," Bakker replied "I believe that decision is in God's hand, not mine."

### Actress/fiancee may convert

Actress Catherine Zeta-Jones is considering converting to Judaism before marrying fellow star Michael Douglas, according to a British newspaper.

The 30-year-old Zeta-Jones has become "fascinated" by her future husband's Jewish faith, the London Daily Mail reported Sunday.

## Hadassah's Zionist credentials are a roadblock at United Nations

By Julie Wiener

NEW YORK (JTA) — Although it has been nearly a decade since the United Nations repealed its "Zionism Is Racism" resolution, Jewish nationalism apparently still sparks debate in the international body.

Citing concerns about its Zionist ties, representatives of Lebanon and other Arab countries are putting up roadblocks against the largest Jewish women's organization in the United States in its efforts to achieve greater involvement in the U.N.'s humanitarian work.

At a Jan. 26 hearing before the U.N. Economic and Social Council, Hadassah: The Women's Zionist Organization of America requested consultative status, which would enable it to participate in the Commission on the Status of Women and work with nongovernmental organizations around the world on humanitarian issues.

Seven other Jewish groups, including B'nai B'rith and the American Jewish Committee, have consultative status on the committee, along with more than 1,000 other nongovernmental organizations.

Hassan Najem, Lebanon's representative to the 19-member committee — which is chaired by Tunisia and includes several countries that are hostile to Israel — moved to reject Hadassah's application. In the hearing, Najem and representatives of other Arab countries, including Syria and the Palestinian Authority, which are observers on the committee, described Zionism as racism and questioned Hadassah repeatedly about its Zionist ties.

A decision on whether to accept Hadassah was deferred until the committee's next meeting, scheduled for May.

According to Amy Goldstein, the director of Israeli, Zionist and international affairs for Hadassah, an organization best known for its hospitals in Jerusalem that serve Jews and Palestinians, representatives on the U.N. committee "saluted our work," but repeatedly asked Hadassah officials to clarify their definition of Zionism.

"They stated that our definition of Zionism is not Zionism and insisted that Zionism is not just a political movement but inherently racist," said Goldstein, explaining that Hadassah describes its philosophy as "practical Zionism." This philosophy includes establishing projects that address social, educational and health needs in Israel.

At the more than hourlong hearing, Hadassah was questioned about the nature of its efforts in Palestine at the time of the group's founding 88 years ago and why the founders chose to work in Palestine rather than "other places in the world that had the same problems," Goldstein said.

Lebanon's Najem did not return phone calls requesting comment.

Israel's mission to the United Nations issued a statement criticizing Lebanon's and Syria's behavior, stating that attacks on Zionism are "an affront to the Jewish people as a whole." The statement concludes by saying, "it is hoped that these anachronistic and confrontational remarks do not reflect the position of the government of Syria today as it faces Israel across the negotiating table."

Harris Schoenberg, the chair of the caucus of Jewish nongovernmental organizations at the United Nations, said the line of questioning, which he described as a "vicious onslaught" and "bullying," was "very surprising because we're supposed to be in the middle of a peace process."

Following the meeting, Hadassah President Bonnie Lipton said, "While Syria and Lebanon speak the language of peace in negotiations with Israel, their behavior yesterday in the United Nations was most objectionable."

"By raising the rescinded and repudiated 'Zionism Is Racism' resolution, they once again identify themselves with the rejectionist camp rather than those seeking peace in the Middle East."

"Syria and Lebanon crossed the line in describing Zionism as racist and elitist," said an official with the U.S. mission to the United Nations. "I don't think a lot of Jewish organizations are looked at favorably in this committee, and unfortunately Hadassah's name has the word 'Zionist' and that tends to make people upset." □

**NEWS ANALYSIS****Reconciliation mixes with hatred as Germany's democracy is tested***By Toby Axelrod*

BERLIN (JTA) — Only two days after last week's solemn ceremony dedicating Berlin's planned Holocaust memorial, young neo-Nazis marched to the site and declared the memorial to be "an undesirable stain" on the capital of the Third Reich.

The scene sent a chill through the hearts of many.

The opposing events — one of reconciliation and the other of hate — demonstrate that taboos against Nazism are fading and that Germany's democracy, though strong, is struggling with its anti-democratic fringe. It's a battle that has been exacerbated by the campaign finance scandal that has shaken faith in the mainstream conservative party, the Christian Democratic Union.

Though most observers say German democracy is strong enough to overcome these challenges, many agree that the road ahead is filled with major obstacles. This is true particularly in former East Germany, where democracy is only 10 years old.

"The danger is great that youth will go into right-wing structures, with groups that are not democratic," said Anetta Kahane, head of the Berlin-based Regional Workshop on Foreigner Issues, Youth and Schools. "As long as people are voting, they are participating in democracy. But many youth do not vote."

Last weekend, the neo-Nazi National Democratic Party won the right to march based on free speech laws, even though public expressions of Nazism — like the Hitler salute, the display of swastikas and the singing of SS songs — are prohibited.

Some 600 young extremists marched through Berlin's famous Brandenburg Gate, shouting such slogans as "Glory and Honor to the Waffen SS," and carrying a banner that read "Stop the Memorial." About an equal number of counterdemonstrators showed up as well.

Police blocked streets and public transportation was rerouted during the march, which went through the famous Brandenburg Gate that once divided East and West Berlin. This was the first time police had allowed neo-Nazis to march through the gate, which during the Third Reich was the site of torchlight Nazi marches.

Reportedly, two neo-Nazi marchers were arrested for displaying banned symbols, and some 25 people were stopped from singing an SS song.

The NDP, meanwhile, announced that it is moving its headquarters from Stuttgart to Berlin, where — starting next week — the party flag will fly from the rooftop of a villa in Kopenick.

The weekend demonstration, however small, stood in sharp contrast to the solemn ceremonies of Jan. 27, Holocaust remembrance day in Germany, which marks the anniversary of the liberation of Auschwitz by Soviet troops in 1945.

That morning, in the Reichstag, klezmer musician Giora Feidman had played "Shalom Chaverim" on his clarinet, walking slowly past Chancellor Gerhard Schroeder, President Johannes Rau, Parliamentary President Wolfgang Thierse and other political and communal leaders. Sometimes Feidman's notes were as soft as a whisper. But it seemed fitting that here, in the rededicated halls of Germany's democracy, even the smallest voice could be heard.

"We all know," said Thierse, "that many people around the

world view our new-old capital with worry and skepticism, adding that "it is our duty to remember how much injustice and unholiness came out of this place."

Later, at the site of the planned memorial — which will consist of a field of 2,700 cement slabs resembling a huge cemetery, Thierse said Germany is building this "because we want to warn against terror and injustice, because we want to make confrontation with the Nazi history a part of our identity."

Juliet Heck, 15, came to the memorial dedication with several classmates from the Leibig high school in Berlin. "I think this is a very good idea," she said, "because you have to know what happened so we won't make the same mistakes." The students will visit Auschwitz in the spring as part of a class trip.

Though not a real ground-breaking — there are still problems to be ironed out before building can begin — the event culminated some 11 years of debate over whether such a memorial was needed and what it should look like.

Berlin Mayor Eberhard Diepgen's opposition to the memorial is not seen as an obstacle to its construction. But his decision not to attend the dedication was controversial, especially in light of the neo-Nazi demonstration that followed.

Meanwhile, last week's ceremony occurred against the backdrop of the country's biggest political scandal of the postwar years, an affair that some say has rocked faith in the democratic system.

Most observers don't think the current scandal involving the party of former longtime chancellor Helmut Kohl — combined with high unemployment and rising xenophobia — will cause Germany to fall toward the extreme right, as in the 1930s. But they do agree that the job of inculcating democratic values has become both more difficult and more urgent.

Political pundit Ernst Cramer, chairman of the Axel Springer media publishing company, agreed that extremist parties "will pick up protest votes" in coming elections. "But it will never amount to something that may threaten the system or the basic pro-Jewish and pro-Israel attitude," said Cramer, 87.

Most observers agree that the threats are far greater in Sweden, Switzerland and especially Austria, where Jorg Haider's extreme right Freedom Party was on the verge of forming a governing coalition with the Austrian People's Party. In Berlin, various events related to Holocaust remembrance day highlighted the role of educators in inculcating democratic values.

In the eastern German state of Brandenburg, which surrounds Berlin, members of the regional parliament held a memorial service at the concentration camp memorial at Sachsenhausen, dedicated to the estimated 500,000 Gypsies murdered by the Nazis.

An innovative exhibition, "Jews Forbidden: The daily life of Jews in Berlin," opened in a subway station in Berlin, featuring posters that said, "No Jews Allowed on the Subway," and explaining the laws that had restricted German Jews from such activities as traveling, working or going to school.

In the east Berlin section of Hohenschonhausen, students made a permanent memorial out of their own school. They renamed it Oskar Schindler, after the German businessman who saved about 1,200 Jews by keeping them at work in his factory.

"I don't think memorials alone can protect democracy," said Berlin Jewish Community President Andreas Nachama at the dedication of the Berlin memorial. "But it helps keep this history in our consciousness." □