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83rd Year

TOP NEWS IN BRIEF

Haider joins Austrian government

Austria's far-right Freedom Party forged an agreement to join Austria's government. The pact between Jorg Haider, whose anti-immigrant platform and past praise for Nazi employment policies has raised alarm bells all over the world, and conservative People's Party leader Wolfgang Schuessel was announced at a joint news conference late Tuesday.

Earlier, the United States had threatened to join the European Union in isolating Austria if Haider's party joined a new government. The power-sharing deal was scheduled to be presented to Austrian President Thomas Klestil on Wednesday. [Page 1]

Barak softens stance on Syria

Israeli Prime Minister Ehud Barak called on Syria to do more to promote peace in Lebanon.

Speaking Tuesday at an army base on the Lebanese border a day after three Israeli soldiers were killed, Barak also said he had no interest in escalating the tense situation in Lebanon.

Barak's remarks were more restrained than his assertion the night before that Israel would refuse to negotiate with Damascus unless Syria reins in Hezbollah activities. [Page 4]

Peace talks convene in Moscow

The first multilateral peace discussions in nearly four years between Israel and the Arab states convened in Moscow as hostilities escalated in southern Lebanon.

During Tuesday's session, Israeli and Arab leaders set dates for the resumption of talks on economic cooperation, the environment, refugees and water. The first of those talks, focusing on water, will be held April 11-12 in Oman. [Page 4]

Germany bends on slave laborers

Germany dropped a plan to reduce payments to Holocaust-era slave laborers who have already received other forms of German compensation, according to U.S. Deputy Treasury Secretary Stuart Eizenstat.

He said the issue, a bone of contention among those negotiating on behalf of the laborers, was resolved Tuesday in Washington.

Discussions are taking place in Washington on how to distribute a \$5.2 billion fund for the laborers that was agreed to last December.

NEWS ANALYSIS

This time, Jews are on the sidelines while Europe leads fight on far right

By Ruth E. Gruber

ROME (JTA) — A far-right party has forged an agreement to share power in Austria's government in defiance of an unprecedented European Union threat to penalize the country.

The strong condemnation of Freedom Party leader Jorg Haider by the Europeans and the world community brought back memories of a Jewish-led campaign to isolate Austria in the 1980s. Then, Kurt Waldheim was elected president despite revelations that he concealed a Nazi past.

The Haider controversy today bears similarities to the Waldheim affair, but in many ways it is strikingly different. For one thing, much of Waldheim's support grew from a resentful backlash against world Jewish organizations — a reaction that was heavily, and openly, tinged with anti-Semitism. This time, Jewish leaders have voiced sharp criticism of Haider, but have mainly stayed out of the spotlight.

Instead Austria's 14 European Union partners, vowing to rebuff any anti-democratic trends within Europe, had taken on the battle to keep the Freedom Party, and particularly Haider, out of the halls of power.

Although Haider has appeared to have negotiated a position for his party in the next Austrian government, the E.U.'s actions did give real weight to the pressure.

The restrictions applied to Austria during the Waldheim affair — including barring Waldheim from entering the United States — hurt, but they were more humiliating than meaningful. Austria at the time was a neutral country seen as a buffer between NATO and the Soviet Bloc. But Austria joined the European Union in 1995, and E.U. sanctions would have a real material effect on the country.

"What we have is a new situation," said Edward Serotta, who directs the Vienna-based Central European Center for Research and Documentation. "The E.U. has never done anything like this before." Serotta, like other observers, predicted that there will be some backlash and resentment against the E.U. threat, but said the changed international situation will play a role in what comes next.

"Certainly there will be some circling of wagons," he said. "But Austria was burned once before. The country saw the isolation because of Waldheim. It is possible that, if Haider keeps putting his foot in his mouth, support for him will waver."

Indeed, an opinion poll in Profil magazine suggested that 60 percent of Austrians believe Freedom Party involvement in government would damage Austria abroad. Only a third expressed support for a center-right coalition. Thousands of Austrians took part in demonstrations against Haider last fall.

Significantly the E.U. move, announced Monday, came just days after leaders from 46 countries attended an international conference on the Holocaust in Stockholm which, among other things, called for more preventive diplomacy and an early warning system to alert leaders to racist problems that could escalate.

"If a party which has expressed xenophobic views, and which does not abide by the essential values of the European family, comes to power, naturally we won't be able to continue the same relations as in the past, however much we regret it," Portuguese Prime Minister Antonio Guterres, whose government currently heads the European Union, told reporters Monday. "Nothing will be as before."

Haider's Freedom Party won more than 27 percent in general elections last October, becoming the country's second largest party and representing the biggest

MIDEAST FOCUS

No progress seen in talks

Israeli and Palestinian negotiators have made no progress after holding the first two rounds of a planned 10-day marathon of peace talks, a Palestinian negotiator said. Speaking before the third round Tuesday, senior Palestinian negotiator Saeb Erekat did not say what issues have been raised, only that nothing had been resolved.

Israel proposed border maps for a final peace treaty, but they were rejected by the Palestinians, Israel Radio reported. The Palestinians, the report said, demanded that the final borders be drawn along the lines that existed before the 1967 Six-Day War.

Meanwhile, Israeli Prime Minister Ehud Barak and Palestinian Authority President Yasser Arafat plan to meet Thursday to focus on whether they can meet a mid-February deadline for drawing up a framework of a final peace accord, an Arafat spokesman said.

Albright slams Syrian paper

U.S. Secretary of State Madeleine Albright described as "ridiculous" a Syrian newspaper article that denied the extent of the Holocaust. Speaking at a news conference Tuesday in Moscow, she added that such articles "clearly do not help the situation."

A day earlier, the editor of the state-sponsored Tishrin newspaper charged that Israel had exaggerated the Holocaust in order to further its own interests.

Sharon: Barak's credibility hurt

Likud Party leader Ariel Sharon charged that a campaign finance scandal engulfing Israeli Prime Minister Ehud Barak's One Israel bloc has damaged the premier's credibility.

Speaking during Knesset debate of a no-confidence motion against the prime minister, Sharon rejected Barak's claim that he was unaware that nonprofit groups raised money and campaigned for his election. The Knesset postponed its vote on the no-confidence motion until next week.



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breakthrough by a far-right party in Europe since the end of World War II.

This fact, combined with Haider's charisma, personal background and political acumen — as well as Austria's Nazi-tainted history — were all factors that combined to prompt the move. There were protests and warnings from many quarters but no such concerted threat of sanctions, for example, when in 1994 three members of a neo-fascist party were included in a center-right Italian government.

The Freedom Party's success and Haider's personal rise are direct legacies of the Waldheim affair. For one thing, part of the party's current electoral support comes from voters fed up with the "grand coalition" of the Social Democrats and the Conservatives, which have ruled since 1986.

The controversy over Waldheim led to two trends in Austria.

On one hand, it was the catalyst for a new openness in facing Austria's role in the Holocaust and led to numerous government initiatives supporting Jewish causes and accepting responsibility for wartime persecution of Jews.

"Whatever the combination of forces that impel it, there is now, for the first time in postwar Austria, a serious commitment to fighting racism and anti-Semitism," wrote Jewish scholar Robert Wistrich in a report last year on Austria and the legacy of the Holocaust.

On the other hand, he continued, "if the establishment has become more liberal in the wake of the Waldheim fiasco, the reservoir of provincial conservatism and of radical-populist protest remains formidable."

This negative trend coalesced around the Freedom Party and particularly around Haider himself. He was elected leader of the party in 1986 when he was only 37 and radicalized it into a hotbed of national populism that appeals to "Austria for the Austrians."

The son of Nazi supporters, Haider is a charismatic politician who is skilled in switching his positions and rhetoric to suit his audiences. He became infamous for statements that praised aspects of the Third Reich.

While promising law and order, family benefits, more jobs, and a flat tax, his rhetoric plays on fears that Austria will be "swamped" by immigrants from Eastern Europe and the Third World. As such, he loudly has warned against the planned expansion of the European Union to include several former Communist states.

Marta Halpert, director of the Vienna-based Europe office of the Anti-Defamation League, calls him a "strategic opportunist."

"Haider brilliantly uses and therefore profits from his strategic opportunism," she told an audience last month.

"Precisely, as if on a drawing board, he picks out and targets each social group he wants to conquer next. Thus, he dresses and acts like a blue-collar guy when aiming to win over the workers," she continued.

"Changing into trendy designer suits, he turns to the 20-to-35 age group and talks of putting an end to the old corrupt dual-party system, where only Social Democrats and Conservatives could succeed because jobs were being filled by political appointees."

Andras Kovacs, a Budapest-based sociologist who closely tracks nationalism, xenophobia and anti-Semitism, predicted that Haider would soon change his tune again — at least on the surface — if his party entered the government.

"I think Haider will change very soon, especially he will distance himself from every type of anti-Semitism, 'Third Reichism', etc, like Gianfranco Fini, the leader of the right-wing Alleanza Nazionale Party, did in Italy," he said. "All this is not important for Haider, and he was actually not very radical in these sensitive questions. What he said was meant for a certain Austrian audience for electoral purposes."

Halpert stressed that critics of Haider should also look beyond his own powerful demagoguery. She said the two leading parties, the Social Democrats and the Conservatives, "do have their share of responsibility for Haider's electoral success.

"They ruled the country by dividing power between their elites, catering to their traditional clientele through social partnership, graft and patronage."

In addition, "they invited cheap laborers into the country when they were needed economically, but did not take measures for their social and political integration." Vienna, she said, "ignored the gunpowder of daily cultural clashes, and that is exactly the playground where Haider could act out his nationalistic, xenophobic policy." □

JEWISH WORLD

Trial of Iranian Jews unlikely before elections, advocates say

By Julie Wiener

NEW YORK (JTA) — Despite news reports that the 13 Iranian Jews accused of spying for Israel and the United States face an imminent trial, American Jewish advocates for the prisoners say it is unlikely that anything substantial will occur in the case until after Iran's elections later this month.

"It doesn't necessarily mean anything," Malcolm Hoenlein, the executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said of this week's Iranian television reports.

"The families have not been notified of anything yet, and it's unlikely that before the elections, anything of that kind of magnitude will happen in Iran."

The 13 Jews — religious and community leaders, including one teen-ager — have been held in a jail in the southern Iranian city of Shiraz since the spring, but have not been formally charged. Both Israel and the United States have vehemently denied the accusations against them. They face the death penalty if convicted.

Many observers believe that the arrests and accusations are part of a power struggle between conservative hard-liners and President Mohammad Khatami, who has made overtures to the West. The Feb. 18 elections are being seen as a contest between the two forces vying for power.

Iranian officials have not detailed the evidence against the suspects, but hard-line elements of the judiciary reportedly have said documentation of the alleged crimes proves their guilt.

The case sparked an international outcry and those working on behalf of the detained have alternated between public and private diplomacy to press their cause.

In recent months, American Jewish advocates — while hoping for the prisoners' release — have also been working to try to ensure that the prisoners receive a fair trial.

"Our preference is they should be released now," Hoenlein said. "They've suffered enough no matter what they've done, and none are guilty of espionage."

A trial might be better than endless delays, said Hoenlein, but "has to be public with representation and outside participation as has been promised all along."

Samuel Kermanian, secretary-general of the Los-Angeles based Iranian American Jewish Federation, agreed, saying the trial presents an opportunity for Iran to "show to the world that it's serious about its declarations regarding the rule of law, its civil rights, or depending on the outcome, to essentially prove they are not serious."

He expressed concern about the judicial process, especially that the Jews be given lawyers and that the lawyers be given adequate time to review the charges and prepare a defense. □

Quake survivor meets with Israeli rescuers

JERUSALEM (JTA) — A Turkish girl who survived that country's devastating earthquake in August has reunited in Israel with members of the army team that rescued her.

Alif Gondo, 11, spent four days trapped beneath rubble in the city of Cinarcik before the rescue team reached her. Gondo, who lost all of her immediate family in the quake, arrived in Israel this week accompanied by two aunts to continue her rehabilitation. She will be fitted with an artificial foot and undergo physical therapy.

Gondo was brought to Israel by the American Jewish Joint Distribution Committee, which has provided ongoing humanitarian aid to earthquake victims in Turkey. Later this month, the JDC will bring another quake survivor to Israel for rehabilitation.

Ami Bergman, director of JDC projects in Turkey, said the organization is also involved in the construction of a school in Adapazari, which was struck by an earthquake in November, and in a project in coordination with the Tel Aviv municipality and Turkish authorities to build a model for providing support services in emergency situations. □

E.U. sets terms for Gadhafi visit

Libyan leader Muammar Gadhafi will be invited to visit the headquarters of the E.U. Commission in Brussels only if he accepts an E.U.-sponsored grouping that includes Israel, according to Commission President Romano Prodi.

Libyan officials responded that Gadhafi is not yet ready to back the E.U.-Mediterranean partnership.

The commission, which is the European Union's executive body, is said to be eager to remove Libya from its diplomatic isolation, but described Gadhafi's opposition to the partnership as "unacceptable."

O.U. seeks end to marriage tax

The Orthodox Union's Institute for Public Affairs is urging members of Congress and the Clinton administration to support legislation aimed at eliminating the "marriage penalty" in the federal tax code.

The provision forces many married couples who file their taxes jointly to pay higher taxes than if they were single.

The group, in a letter to lawmakers and the White House, said the United States should support the "centrality of marriage" through "marriage-friendly public policy."

Group funds Shoah studies

The Conference on Jewish Material Claims Against Germany allocated more than \$50 million for Holocaust education and research programs.

The funds will come from the sale of heirless property in the former East Germany.

Most of the proceeds of those sales go to needy Holocaust survivors in Eastern Europe.

Nazi gold sought in lake

A group that helped find the Titanic received permission to search an Austrian lake for documents and gold that the Nazis may have dumped there at the end of World War II.

The Oceanic Advanced Technical Group will join the CBS Corp. in searching Toplitzsee for the items. The Los Angeles-based Simon Wiesenthal Center is coordinating the expedition.

Hungary's Shoah day criticized

A Hungarian lawmaker is criticizing his country's announcement that it will celebrate a Holocaust memorial day annually on April 16.

"Why should only the victims of the Jewish Holocaust and not also the victims of communism?" asked Bela Horvath of the right-wing Smallholders Party.

Maria Schmidt, a historian who is an adviser to Hungarian Prime Minister Viktor Orban, has agreed with this criticism.

Hezbollah escalates violence in deadly attack on Israeli forces

By Naomi Segal

JERUSALEM (JTA) — Reviving Israeli-Syrian negotiations may prove more difficult following a Hezbollah attack in southern Lebanon that killed three Israeli soldiers.

Syria is the leading power in Lebanon, and it is believed that Damascus gave the go-ahead to step up the fighting against Israel after the negotiations held last month in the United States were suspended.

Killed in Monday's attack were Maj. Tidhar Templehoff, 23; Staff Sgt. Lior Niv, 21; and Staff Sgt. Tzachi Malcha, 21. One of four Israeli soldiers wounded in the attack sustained serious injuries. The three others were reported in moderate condition.

In the immediate wake of the attack, Prime Minister Ehud Barak said he would not resume negotiations with Syria until Damascus reins in Hezbollah.

But by Tuesday, Barak had moderated his response, calling on Syria to do more to promote peace in Lebanon.

Speaking at an army base on the Lebanese border, Barak also said he had no interest in escalating the tense situation in Lebanon.

"I am convinced the Syrians also believe there is a shared interest to find a way to rein in these activities," Barak said.

The Syrians "understand the risks in a deterioration. We understand. We are not afraid of peace and we are not afraid of any other kind of development."

The prime minister also vowed to retaliate against those responsible for the attack, saying, "Those who hit us will not get away clean."

For the time being, Israel's Security Cabinet has decided to refrain from ordering a large-scale reprisal. In the past, Israeli jets struck infrastructure targets deep within Lebanon in reprisals for Hezbollah attacks.

After two rounds of talks, the negotiations were suspended indefinitely in mid-January. At the time, Damascus demanded that Israel give a written pledge to withdraw from all of the Golan Heights as a precondition for resuming discussions.

Following Israel's refusal, Hezbollah stepped up its attacks on Israel and its allied militia, the South Lebanon Army.

A day before the three Israeli soldiers were killed, the SLA's second-in-command, Col. Akel Hashem, was killed when Hezbollah gunmen set off a bomb by remote control. Last week, another Israeli soldier was killed in a Hezbollah attack — the first Israeli fatality in southern Lebanon since last August.

In the wake of this week's attacks, the United States called on Israel, Syria and Lebanon to avoid an escalation of the hostilities.

The U.S. ambassador to Israel, Martin Indyk, urged all sides on Tuesday to resolve their differences through negotiations.

Within the Israeli Cabinet, however, reaction varied on how Israel should respond to the latest attacks.

Communications Minister Benjamin Ben-Eliezer said Israel should "hit back" — and the sooner, the better.

But Public Security Minister Shlomo Ben-Ami said it was important to "contain the escalation" as much as possible.

Ben-Ami also said the prime minister should work toward keeping a campaign pledge to pull all Israeli troops out of Lebanon by July. □

Israel, neighbors talk about how to normalize their relations

By Naomi Segal

JERUSALEM (JTA) — Multilateral negotiations aimed at securing cooperation throughout the Middle East have convened for the first time in nearly four years.

At Tuesday's one-day session in Moscow, U.S. Secretary of State Madeleine Albright and acting Russian President Vladimir Putin told the delegates that regional cooperation could give a boost to the ongoing peace negotiations involving Israel, the Palestinian Authority and Syria.

But some Arab leaders made it clear before the meeting that Albright was in effect putting the cart before the horse — that Israel would first have to achieve peace treaties with the Palestinians and Syria before broad regional cooperation could be achieved.

Many Arab leaders have long suspected that the multilateral talks — which deal with such issues as economic cooperation, arms control, the environment, refugees and water — are designed solely to integrate Israel into a hostile region."

But Albright said the multilateral track is "not a favor to one party over the others," adding that it is a "process for regional cooperation that will benefit all the people of the region."

The United States and Russia co-chaired Tuesday's gathering, which brought together officials from Israel, the Palestinian Authority, Egypt, Jordan, Saudi Arabia and Tunisia. Rich donor nations, including Japan, the European Union and other industrial states, also attended. Syria and Lebanon boycotted the talks.

The multilateral talks were launched at the 1991 Madrid peace conference. They were suspended during the tenure of former Prime Minister Benjamin Netanyahu, when peace moves between Israel and its Arab neighbors were largely on hold.

Israel had hoped Tuesday's meeting would give a boost to its efforts to have normal relations with the Arab world.

Some progress was made at the meeting when a final declaration was issued announcing dates for the resumption of talks involving four working groups. The first of those talks, focusing on water, will be held April 11-12 in Oman.

The group on economic cooperation will then meet May 8-11 in Jordan; the group on refugees, May 16-18 in Canada; and the committee on the environment, May 31-June 1 in Tunisia.

Egyptian Foreign Minister Amre Moussa said the fifth group, on regional arms control, could meet within a few months once an agenda was reached.

The escalation of fighting this week in Lebanon hung heavily over the Moscow meeting. The hostilities, which led to the deaths of three Israeli soldiers and the second-in-command of the Israel-allied South Lebanon Army, could hurt the chances for reviving the Israeli-Syrian negotiations. At Tuesday's session, Albright appealed to Israel, Syria and Lebanon to act with restraint.

"All of the participants have committed themselves to working toward Middle East peace. They have emphasized the importance of making the negotiations work. For they understand the only solution to the conflict is a political solution," Albright said.

The previous day, in a meeting with Albright, Israeli Foreign Minister David Levy condemned the Hezbollah attack that killed the three Israeli soldiers. □