



Daily News Bulletin

Vol. 78, No. 98

Thursday, May 25, 2000

83rd Year

TOP NEWS IN BRIEF

Israel completes withdrawal

Israel pulled all its troops out of southern Lebanon, ending a 22-year military presence there. All Israel Defense Force and South Lebanon Army outposts were evacuated and many were blown up. No Israeli soldiers were hurt, despite fire from Hezbollah at different stages of the operation.

Hours after Israel completed its troop withdrawal from Lebanon, about 50 Hezbollah members, some armed, made a triumphant appearance near the Lebanese side of the border fence with the Israeli community of Metulla. News agencies reported that the group later left and there were no confrontations.

'Iran 13' trial causes backlash

Several Jewish merchants in Iran have had their businesses attacked, Jewish leaders there told the Associated Press.

The leaders linked the attacks to the start last month of the trial of 13 Iranian Jews accused of spying for Israel. "This trial has created problems for the whole Jewish community in Iran," one leader told AP. **[Page 3]**

Federation leaders head to Israel

The North American umbrella group for Jewish federations is sending its top leadership on a three-day "fact-finding mission" to northern Israel.

During their trip, which starts Sunday, the leaders of the United Jewish Communities plan to meet with residents of northern communities affected by Israel's withdrawal from Lebanon to learn how North American Jews can best help them.

SLA members granted asylum

More than 5,000 South Lebanon Army members and their families were granted asylum in Israel this week, and the figure was expected to increase.

Israel began settling families in temporary lodgings on kibbutzim and guesthouses, while volunteer groups and the government gathered donations and equipment for the refugees. **[Page 1]**

Because of the Memorial Day holiday, the JTA DAILY NEWS BULLETIN will not be published Monday, May 29.

Dazed, disoriented, defeated, SLA fighters now just refugees

By Avi Machlis

AMNON BEACH, Israel (JTA) — When Sa'ad Hawa, a former fighter in the Israel-allied South Lebanon Army, took a bullet in a 1987 battle while fighting alongside Israeli soldiers, he never dreamed he and his comrades would end up in a makeshift transit camp here on the shores of the Sea of Galilee.

But this week, Hawa joined the mounting number of confused and dejected SLA fighters and other Lebanese villagers who fled their homes, fearing for their lives after Hezbollah forces secured control of southern Lebanon.

After seeking asylum in Israel, these refugees are now trying to sort out their lives and understand what has happened.

Some of the thousands of refugees were angry at Israel for failing to secure conditions for an orderly withdrawal that would have allowed them to take their belongings with them.

Others said events had simply unfolded too fast.

"The situation was just out of control," a red-eyed Hawa said Tuesday, his lip trembling as he pondered the chaos of the past three days. "We did not bring anything except for the clothes on our backs. I don't think we will be going back soon."

Outside Amnon Beach, a run-down resort now functioning as a transit camp, a convoy of 20 sparkling tourist buses is preparing to take SLA members and their families to various hotels and kibbutzim throughout Israel.

Exhausted women and children peer out of the windows, others are asleep.

These are the newest refugees of the Middle East.

Meanwhile, unkempt SLA fighters who belonged to the 80th Battalion in the eastern part of the former security zone mill about, looking confused and dejected.

Many are afraid to provide their names, fearing reprisals against family members who stayed behind. Some still wear the olive-green uniforms bearing the Hebrew insignia of the Israel Defense Force.

Although some dream of the day that they might be allowed to return to their homes, they are not holding their breath. For now, the alternatives are to stay in Israel or move away to the United States or Europe, where perhaps, the events that created their personal catastrophe may be forgotten.

Just three days ago, these SLA fighters had hoped to hold onto their outposts in the eastern sector of southern Lebanon long enough for arrangements to be made to evacuate their families. But 22 years of support from Israel may have made the 2,500 SLA militiamen a bit too self-confident about their ability to fend for themselves.

Within hours, Israel advised them to flee their predominantly Maronite Christian village of Ayn Dibil before Hezbollah gunmen triumphantly marched in to celebrate what they see as their victory over the Jewish state.

"We had no idea it would disintegrate so fast," said one SLA soldier. "The Israelis said they would first make arrangements for our families."

Still, much of the anger was focused on Lebanon.

Although the SLA fighters know that they are considered traitors in Lebanon, they insist they had fought to protect themselves, first against Palestinian guerrilla groups some 20 years ago, later against Hezbollah.

Some hoped an arrangement with the government might allow them to stay in their homes.

"Lebanon has no control over the situation," said Dori, who crossed the border with

MIDEAST FOCUS

U.S. calls for Syrian withdrawal

The United States called on Syria to follow Israel's lead and withdraw all its troops from Lebanon.

"We've made our view clear all along that all foreign forces should withdraw from Lebanon and that Lebanon should exercise full sovereignty over all of its territory," a State Department spokesman said.

U.N. envoy arrives in Lebanon

United Nations special envoy Terje Roed Larsen arrived in Lebanon to assess the situation after the Israeli pullback. Israel Radio quoted political sources in Jerusalem as saying they expected the United Nations to confirm that Israel had withdrawn to the international border and to approve an expanded U.N. force in Lebanon.

Weizman won't face charges

Israel's attorney general and state attorney adopted a police recommendation against indicting President Ezer Weizman for accepting large monetary gifts he received while serving as a Cabinet minister and Knesset member.

Pro-Pollard resolution passed

Israel's Knesset passed a resolution calling on President Clinton to grant amnesty to Jonathan Pollard. The resolution also said that Prime Minister Ehud Barak should put the Pollard case at the top of his agenda during meetings with Clinton.

Israelis fear for security

The morning after all Israeli troops left Lebanon, residents of Israel's northern border communities emerged from bomb shelters and expressed uncertainty and apprehension. The mayor of Kiryat Shmona, which has absorbed the brunt of rocket attacks over the years, called on the government to make clear that if Israelis have to sit in shelters, then the Lebanese will have to as well.



Daily News Bulletin

Shoshana S. Cardin, *President*
Mark J. Joffe, *Executive Editor and Publisher*
Lisa Hostein, *Editor*
Howard Lovy, *Managing Editor*
Lenore A. Silverstein, *Business Manager*

JTA DAILY NEWS BULLETIN is published five days a week, except holidays, by the Jewish Telegraphic Agency Inc., 330 Seventh Ave., New York, N.Y. 10001-5010. For information about how to subscribe by e-mail, fax or regular mail, call (212) 643-1890, or visit our Web site at www.jta.org.
© JTA Reproduction only by previous arrangement.

his brother, an SLA fighter, and many other family members. "There are a lot of people in Lebanon who do not want this situation, but they are afraid to speak out."

Dori, whose father was killed fighting for the SLA during its early years, speaks fluent Hebrew, sports a ponytail and works as a bellboy at a hotel in Herzliya. He is among about 2,500 civilians from southern Lebanon who have enjoyed the privilege of working inside Israel.

"When the Israelis left we only hoped the Lebanese army would come, but Hezbollah came instead and we had no choice," he said.

Some people did have a choice. Many of the SLA's Shi'ite Muslim fighters — who made up about 60 percent of the militia — opted to stay in Lebanon hoping their ethnic ties with Hezbollah would keep them safe. There were few Shi'ites among the refugees.

Christians felt less secure. "We cannot go back," said one Christian SLA member. "Anyone who has left home as a traitor will be killed."

Refugees who have been in contact with their relatives who stayed behind say there were reports of Hezbollah blowing up homes that belonged to SLA officers. Other stories were being told of Hezbollah taking over a local church for Muslim prayers.

Hezbollah gunmen also ransacked the home of the SLA's commander, Gen. Antoine Lahad, who is now in Israel. But by Wednesday afternoon, there were few confirmed reports of more serious Hezbollah reprisals — and most of the SLA members who stayed behind were transferred to the Lebanese authorities for trial.

Meanwhile, the refugees realized the gates were quickly shutting behind them.

Naim Munther, a Druse SLA fighter, was standing at the roadside with his family desperate to catch a taxi back to the border after hearing from family members he would be safe. His wife was in tears, realizing that they could lose any chance to get their home back if they did not move fast.

He was furious at Israel, despite pledges from senior officials to help all refugees start a new life. "We served them, walked with them and fought with them and they just dropped us like dogs," said Munther. "Why should I come here?"

As others come to terms with losing their homes, they expect Israel to make good on its promises. "They have a moral obligation to us," said one SLA fighter speaking fluent Hebrew. "We helped Israel a lot over the years. All we ask now is that the Israelis please help us." □

Timeline of Israel's presence in Lebanon

March 1978: Israel launches Operation Litani, taking control of Lebanese territory south of the Litani River in an effort to curb cross-border attacks by Palestinian guerillas.

July 1981: Israeli forces bomb PLO headquarters in West Beirut.

June 1982: Israel launches Operation Peace for Galilee, the start of its full-scale invasion of Lebanon, eventually driving the PLO out of the country.

September 1982: Christian Phalangists massacre hundreds of Palestinians in the Sabra and Shatila refugee camps.

1985: Israel creates a 9-mile-wide security zone after withdrawing most of its troops from Lebanon.

July 1993: Following the killing of seven Israeli soldiers in southern Lebanon, Israel launches Operation Accountability, during which the IDF carries out its heaviest artillery and air attacks on southern Lebanon since 1982.

April 1996: Israel launches Operation Grapes of Wrath, striking at targets in Lebanon to retaliate for Hezbollah rocket attacks on northern Israel. After shelling of the Kana U.N. camp in southern Lebanon results in the deaths of at least 91 Lebanese refugees who had taken shelter there, Israel suffers heavy international criticism and ends the operation.

March 1999: Opposition leader Ehud Barak pledges during Israel's election campaign that if elected prime minister, he will get all Israeli troops out of Lebanon by June 2000.

March 2000: Israel's Cabinet votes unanimously for a full troop withdrawal.

May 24, 2000: Israel removes its last troops from southern Lebanon, some six weeks earlier than planned. □

JEWISH WORLD

Charitable giving rises by billions

Charitable contributions in the United States increased by \$15.8 billion in 1999, with religious and educational organizations receiving the largest increases, according to charitable giving estimates released by the American Association of Fund-Raising Counsel. A breakdown of which organizations fared best will be available in June.

Democratic coffers get big boost

Two prominent Jewish figures have each raised \$500,000 for the Democratic National Committee.

David Steiner, former president of the American Israel Public Affairs Committee, and S. Daniel Abraham, chairman of the Center for Middle East Peace, gave the money to the DNC, which has already collected \$26 million as part of a gala tribute to President Clinton scheduled to take place Wednesday night.

Czech property return law passes

Czech legislators passed a law providing for the return of property looted by the Nazis from the nation's Jews and Jewish organizations.

Under the law passed Wednesday, assets confiscated from Jewish associations, foundations and communities between September 1938 and May 1945 will be returned. The law does not apply to agricultural land and forests within national parks.

Neo-Nazis charged with arson

Three neo-Nazi teen-agers were formally charged in the attempted arson of a synagogue in the eastern German city of Erfurt.

The attack, which took place April 20 — Hitler's birthday — caused no injuries and the synagogue was spared extensive damage.

Conferees focus on day schools

Three hundred educators, parents and day school board members turned out for a day-long conference in New York on modern Orthodox day schools.

Organized by Edah, a group that opposes the influence of the fervently Orthodox world on modern Orthodoxy, Sunday's conference addressed such issues as the shortage of educators, the role of women in day schools and how to deal with teachers who do not espouse the modern Orthodox outlook.

Jewish exhibit to open in Russia

An exhibit of eight local Jewish artists is scheduled to open Sunday at one of the most prestigious museums in St. Petersburg, Russia.

The participating painters, sculptors and ceramicists had been asked to create pieces inspired by that city and by Jerusalem. The exhibit will appear at the Russian Ethnography Museum for two weeks.

Jewish vigil for 'Iran 13' underscores rift in tactics

By Michael J. Jordan

NEW YORK (JTA) — Several thousand American Jews let loose another full-throated cry for justice this week as the trial of 13 Iranian Jews accused of spying for Israel nears an end.

Wednesday's midday prayer vigil in New York — once again just a stone's throw from the Iranian mission to the United Nations — drew the largest turnout of supporters to date, with 2,000 or more crowded onto the street corner.

The vigil came as a Jewish leader in Iran revealed this week that several Jewish-owned businesses had recently been attacked, including one that had been torched in Tehran, the Iranian capital. The New York gathering likely would have been much larger had it not been "sabotaged" by top Jewish community leaders, charged a co-sponsor of the public vigil, Rabbi Avi Weiss, president of the Coalition for Jewish Concerns-AMCHA.

The vigil had been advertised in The New York Times and on two local radio stations. But Weiss' event appears to have clashed with last-ditch, behind-the-scenes Jewish lobbying efforts to spare the Jews the death penalty or long prison sentences.

The rift illustrates the divergent strategies for how best to pressure Iran: robust street action or the "quiet diplomacy" advocated by the Conference of Presidents of Major American Jewish Organizations.

Weiss, of Riverdale, N.Y., points to the impact of massive rallies in the 1980s on behalf of Soviet Jewry and how it encouraged people like Natan Sharansky, the former Soviet Jewish dissident who now serves as Israel's interior minister.

"If prisoners sense they are not alone, they gain a certain amount of strength. We want the Iranian Jews to know their suffering is our suffering," said Weiss, noting that Sharansky had voiced his support for the vigil.

"I am incredulous that 16 months after these imprisonments, we have not been able to put 100,000 people out on the streets of New York," said Weiss, who prior to Wednesday's gathering met with an Iranian diplomat at the U.N. mission.

Rabbi Abraham Cooper, the associate dean of the Simon Wiesenthal Center, co-sponsor of the vigil, joined Weiss. Cooper said he told the Iranian diplomat that American Jewish leaders will continue to be vigilant regarding the treatment of Iran's Jewish minority.

"We want Iran's Jewish community taken off the radar screen" of the Iranian government, he said. "We do not want to make the treatment of Jews a long-term thorn in the side of bilateral relations between America and Iran.

Before the vigil, though, Malcolm Hoenlein, executive vice chairman of the Presidents Conference, said it would work against his group's efforts. Several at the vigil alleged that Hoenlein had discouraged numerous organizations from participating. Hoenlein denied the charge.

He said that what was originally planned as an anti-Iran demonstration was, under pressure, scaled down into another vigil. Several previous vigils at the same site, as well as one in Los Angeles, where many Iranian Jews live, have taken place in recent weeks.

"In the past, when Iran has perceived an escalation of activities, they've retaliated," Hoenlein said. "During such a sensitive week, there's a question of how this will be perceived." The situation is indeed sensitive. In addition to the latest reports of attacks on Jews, there have also been reports of harassment of Jews in the workplace and against Jewish schoolchildren. This was the first report of violence. Iran has responded to requests for protection by assigning security forces to synagogues and other Jewish institutions, Hoenlein said.

In court in Shiraz, meanwhile, six of the accused Jews reportedly met face-to-face Wednesday for the first time since their imprisonment 15 months ago. One of the men, Faramarz Kashi, one of eight who had earlier "confessed" to spying and had implicated his brother, reportedly admitted he had lied when he confessed, Hoenlein said.

The hearings are slated to continue Monday, with a verdict now expected perhaps in early June, he said. □

FOCUS ON ISSUES

Israel's Intel facility shows best, worst of new economy*By Avi Machlis*

KIRYAT GAT, Israel (JTA) — Drive 15 miles southwest of the area where David slew Goliath, and an enormous complex faced in pinkish Jerusalem stone testifies to a new type of giant towering over Israel.

This is Fab 18, a plant opened last year by Intel, the world's biggest semiconductor manufacturer, in the industrial zone adjacent to the poor southern town of Kiryat Gat.

It is here that Israelis see the best and the worst of their country's new, technology-driven economy.

Jobs are created, but the gaps between rich and poor have widened, as low-tech workers are not being integrated into Israel's new job market.

Inside, the 75-acre facility is like a small city, complete with fitness room, infirmary and travel agency.

There is almost a relaxed Californian feel here that contrasts with Israel's usual bustle.

Casually dressed workers wearing brightly colored hard hats break for coffee in the tree-lined plaza.

Engineers in airtight white bunny suits working in a sterile 30,000-square-foot "clean room" are quietly and diligently churning out silicon wafers, which contain Pentium 733 megahertz chips that power the world's machines.

The Israeli engineers and managers here will soon be manufacturing \$3 million worth of chips a day — or about \$1 billion a year.

They have been so successful that this month, Intel said it is considering Fab 18 — among several other plants in the United States and Ireland — for an expansion involving an investment of up to \$3.5 billion.

It would be the biggest foreign direct investment in Israel, far outstripping the original \$1.6 billion investment that Intel made in Fab 18.

Yet although the existing plant has already created about 3,500 jobs, unemployment is still running high in Kiryat Gat, at 10 percent.

Local politicians are hard pressed to explain why projects like these are good for the community.

Many residents say Intel is actually widening socioeconomic gaps between rich and poor in this town.

"Intel has not yet managed to change the cycle of unemployment here, since people who have been laid off from textile plants cannot retrain for high-tech," says Micha Gabay, deputy mayor of Kiryat Gat.

"But at the end of the day, Intel will be a blessing to Kiryat Gat and to the entire area.

"The people here do not always see the changes immediately. It takes long-term vision to see it."

In the long term, a capital infusion of the scope Intel is discussing would create at least 2,000 more jobs.

It would mean that an astonishing 10 percent of Intel's current workforce would be located in the Jewish state, where it first invested in 1974.

Back then, Andrew Grove, currently Intel's chairman, chased a promising young Israeli engineer named Dov Frohman back to

Israel and set up a research and development facility in Haifa with five engineers and a \$300,000 investment.

In 1985, Intel built Fab 8 in Jerusalem, which now manufactures 130 products.

Today, even with Fab 18, Kiryat Gat looks as if it is situated directly on the fault line that severs Israel's old economy — and its unemployed or low-paid workforce — from the new economy, with its increasingly wealthy engineers, managers and high-tech entrepreneurs.

Fab 18 towers over an industrial zone of steel mills, sugar processing plants and textile plants that have shut down as companies shifted manufacturing across the border to Jordan or Egypt, where labor costs are significantly cheaper.

Most skilled workers and engineers at Intel here relocated to the area from other parts of the country.

Nevertheless, Intel Israel managers say the plant serves both as a tangible proof of Israel's technological prowess and an incentive for the local community.

"We carried out this project faster, on target cost and with better yields than what is done in America," says Maxine Fassberg, Fab 18's engineering manager.

Intel, Fassberg adds, is playing an important role in the community, with engineers helping the elderly and contributing to education.

Intel recently hired 73 of 75 young students from Kiryat Gat who participated in an Intel-enhanced school curriculum, with stronger emphasis on physics and math.

"One of the problems in a place like this is that capable youngsters tend to leave the town," says Fassberg. "A program like this helps them stay."

Some locals say Intel has changed their lives. Yossi Gal, manager of a small manufacturing line at Fab 18 had a similar job at a nearby air conditioning factory.

He recently hired two Kiryat Gat graduates of the Intel program.

"I have gained an enormous amount personally, both from discovering a new world and seeing the differences in managerial culture," says Gal, who lives on a nearby kibbutz.

"I think it has also contributed to the whole environment here, in terms of encouraging people to strive for quality and excellence."

However, of the 1,700 workers employed directly by Intel, and another 1,700 indirect jobs created in everything from catering services to construction, Deputy Mayor Gabay says only about 600 are from Kiryat Gat, a town of 52,000.

"Intel is a joke," grumbles Shuki Azoulay, 25, who worked for a company subcontracted by Intel but was laid off when the project ended.

"It has not helped improve the standard of living or the unemployment situation. It's all just public relations."

Hundreds of thousands of Israelis face a similar situation in the high-tech era.

It is also one of the biggest challenges facing Prime Minister Ehud Barak, who came to power promising to create 300,000 jobs and reduce unemployment from about 9 percent.

Yet among the high-tech community, which is desperate for skilled workers, and among the low-tech job seekers desperate for a livelihood, there is a feeling that the government has no idea how to integrate workers like Azoulay into the new economy. □