# Daily News Bulletin

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### TOP NEWS IN BRIEF

#### Russian tycoon arrested

U.S. Jewish groups expressed concern for the welfare of Russian Jewish tycoon Vladimir Goussinsky, who was arrested Tuesday for embezzlement.

Meanwhile, Lubavitch rabbis gathered in Moscow to elect a chief rabbi of Russia, Berel Lazar. There are now two rabbis holding that title. [Page 1]

#### 4 Iran Jews retract 'confessions'

Four of the 13 Iranian Jews accused of spying for Israel retracted their "confessions" in court Tuesday, according to an American advocate.

Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said the four told the Iranian judge that their "confessions" had been made under duress. [Page 2]

#### Bashar vows to hew dad's line

Syrian President Hafez Assad's son and heir apparent met with U.S. Secretary of State Madeleine Albright and vowed to pursue Assad's policies toward Israel. Every Syrian "is committed to continue in the same way that President Assad was following," Bashar Assad said after a 10-minute meeting with Albright.

A day earlier, Israeli Foreign Minister David Levy was quoted as saying that it is not clear whether Bashar would model himself on his father or "choose the path of peace."

#### Fire destroys Kiev shul

A fire completely destroyed a synagogue in the Ukranian capital of Kiev, according to the Union of Councils for Soviet Jews. Officials at the Aish HaTorah Synagogue, who believe the June 3 blaze was the work of arsonists.

No one was injured in the fire, which burned two Torah scrolls and the synagogue's 1,000-book library.

#### Shas: We plan to resign

Israel's fervently Orthodox Shas Party said it plans to resign from Prime Minister Ehud Barak's government.

If the party carries out its threat, it would mean that Barak would have to bring new parties into his coalition or have to govern with a minority in the Knesset. Barak is reportedly looking into whether he can set up a leftist, secular government.

#### AROUND THE JEWISH WORLD

# Russian Jewish tensions explode with tycoon's arrest, rabbi's election

By Lev Gorodetsky

MOSCOW (JTA) — Escalating tensions in the Russian Jewish community exploded for all to see this week as authorities arrested Vladimir Goussinsky, the media tycoon who also serves as the president of the Russian Jewish Congress.

Tuesday's arrest, reportedly on charges of fraud and embezzlement, came just hours after 26 Lubavitch rabbis gathered here to elect Rabbi Berel Lazar the chief rabbi of Russia.

While unconnected on the surface, the two developments are linked in that they could have major implications for Russian Jewry and its relations to the Kremlin.

Russia's chief rabbi is important because that individual is the only official representative of the Jewish community recognized by the government.

The election of Lazar as chief rabbi comes just a week after the country's chief rabbi for the past decade, Adolph Shayevich, accused the Russian government of seeking his ouster. Shayevich, who is backed by Goussinsky's Russian Jewish Congress, later backtracked from his statement, but has insisted that he felt pressure to resign, especially from the Lubavitch.

Both observers and players on the scene have expressed concern that the communal infighting is clearly linked to the bitter rivalry between Goussinsky and Russia's new president, Vladimir Putin, and that the rivalry has spilled over in dangerous ways to the Jewish community, which numbers an estimated 600,000.

Goussinsky, who has supported Putin's political rivals, and the offices of Media-Most, the tycoon's media empire, had been targeted in recent weeks by the government, which has been cracking down on the media.

Putin, who was out of the country when Goussinsky was arrested Tuesday, told Russian reporters he was surprised by the move. The arrest prompted American Jewish organizations to come to Goussinsky's defense.

Goussinsky "enjoys the strong support" of the organized American Jewish community in his role as president of the RJC," said a statement by NCSJ: Advocates on Behalf of Jews in Russia, Ukraine, the Baltic States & Eurasia and the Conference of Presidents of Major American Jewish Organizations.

Saying that "basic freedoms appear to be challenged" in Russia today, the statement added: "We expect the Russian authorities to follow due process and international legal standards with respect to Mr. Goussinsky and to assure the full rights of the Russian Jewish community."

Jewish officials also expressed skepticism over Putin's reaction, saying he most likely was involved.

For his part, Lazar also expressed concern, saying that the arrest of a senior Jewish official such as Goussinsky "is a shocking and dangerous development."

Lazar called upon the Russian government to immediately free Goussinsky and said that he was sure Goussinsky would comply with the authorities' investigation.

The Lubavitch rabbis who elected Lazar chief rabbi were delegates of the Congress of Jewish Communities in Russia, which opened Monday and was organized by the Lubavitch-dominated Federation of Jewish Communities of Russia.

The Federation, which became a legal entity last November as an umbrella structure, immediately received clear-cut signs of support from the government, including a meeting between its leaders and Putin, who was then acting president. The

### **MIDEAST FOCUS**

#### Talks resume in D.C.

Israeli and Palestinian officials resumed negotiations toward a final peace deal at two air force bases near Washington.

The State Department would provide few details about the talks being held at the Andrews and Bolling bases

#### Israeli Arabs attend funeral

Arab and foreign dignitaries gathered in Damascus to attend the funeral of Syrian President Hafez Assad.

Assad died Saturday at the age of 69.

A delegation of Israeli Arab Knesset members was among those who traveled to Syria to pay their last respects.

French President Jacques Chirac was the only Western head of state to attend the funeral.

#### Sharansky calls for unity gov't

Israel's interior minister called for the creation of a national unity government.

Natan Sharansky, who has criticized Prime Minister Ehud Barak's peace moves with the Palestinians, was among the Cabinet ministers who voted last week for early elections.

#### Residents protest house razing

Israeli Interior Ministry officials demolished an illegally built home in the Arab neighborhood of Jabel Mukaber in southeastern Jerusalem.

Dozens of residents protested the demolition.

#### Dell PC sales triple in Israel

Dell Computer's sales in Israel tripled in the first quarter of the year, according to a company spokesman

The comment came as the company announced that its venture capital unit wants to expand investment into Europe and Israel.

# Daily News Bulletin

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Federation was immediately promoted by the state-controlled TV channel ORT, which is controlled by Kremlin insider Boris Berezovsky, a rival of Goussinsky.

The promotion led to accusations that the Federation was being supported by "Berezovsky's people" in the Kremlin, most likely, according to sources, Alexander Voloshin, the head of Putin's administration.

Lazar and the secular head of the Federation, Michael Gluz, strongly denied any connection with Berezovsky and with the Kremlin administration.

They repeated the same denial last week when Shayevich accused Federation people of pressuring him to resign from his post. Boruch Gorin, Lubavitch's spokesman in Russia, said Tuesday that Shayevich "himself contacted Lubavitch and said he was tired and wants to resign. We said OK. Then he met with us and said he changed his mind. We again said OK. Then we learned he sent an open letter to Putin."

The letter he is referring to is the one Shayevich sent to Putin on May 30, demanding that he not "interfere" with the internal affairs of the Jewish community.

But Shayevich told JTA on Tuesday that three Lubavitch representatives brought him to a Moscow hotel and offered him \$250,000 to resign from his post to make way for Lazar. Shayevich said he rejected the offer.

He also said he was taken by surprise by Lazar's election Tuesday, and rejected it, echoing the view of several in the Moscow Jewish community that Lazar does not represent the religious community of Russia.

Pavel Feldblum, the executive director of the Moscow Jewish community, said that since Lazar was elected only by Lubavitch rabbis, he can only be the chief rabbi of Lubavitch in Russia. For their part, Lubavitch officials say the Federation represents 85 religious communities, and that the Lubavitch rabbis at the Moscow conference this week were authorized by their communities to elect a chief rabbi.

Gorin, Lubavitch's spokesman, said after Lazar's election that this is not "a putsch, it is a velvet revolution."

### Iranian Jews retract 'confessions,' claim they were made under duress

By Julie Wiener

NEW YORK (JTA) — Four of the 13 Iranian Jews accused of spying for Israel retracted their "confessions" in court this week, according to an American advocate.

Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish organizations, said that Shahrokh Paknahad, Farzad Kashi, Nasser Levi Haim and Farhad Saleh told Judge Sadeq Nourani on Tuesday that their "confessions" had been made under duress.

"We should not be overly optimistic about these reports, but these are certainly positive developments," said Hoenlein, whose organization has long contended that all 13 Jews are innocent and has been active in advocating on their behalf, publicly and behind the scenes. Also on Tuesday, a Muslim accused of collaborating with the Jews denied the charge.

Reuters quoted the Jews' attorney, Esmail Nasseri, as saying that the court proceedings "were of benefit to our clients and strengthen the defense team's assertions that our clients are not guilty."

Pooya Dayanim, a spokesman for the Council of Iranian American Jewish Organizations in Los Angeles, said the Jewish community in Shiraz is "becoming more confident every day. Our hope is that the other people who allegedly confessed can be brought to court so they can recant their confessions as well," he said.

When nine of the Jews "confessed" last month, observers insisted that they were coerced after having spent 15 months in solitary confinement, with human contact limited mostly to interrogators. A verdict is expected at the end of next week. It was originally scheduled for this week, but was delayed because of Tuesday's hearing.

Another hearing is scheduled for Thursday.

Tuesday's development came as Jews around the United States were holding prayer vigils on behalf of the Iranian Jews.

### **JEWISH WORLD**

#### Hurdle cleared in slave fund

U.S. and German negotiators reached an agreement that paves the way for payments from a \$5 billion German fund for Holocaust-era slave laborers.

"I am very pleased that a major hurdle" has been deared, President Clinton said after the two sides found a way to provide German firms with a virtual guarantee of immunity from future lawsuits.

#### Chicago museum to keep art

The Art Institute of Chicago found a way to keep a sculpture that had been sold at auction during the Nazi occupation of France.

The museum will pay the heirs of Jewish art collector Federico Gentili di Giuseppe for the sculpture "Bust of a Youth," by Francesco Mochi.

In turn, the family will donate the artwork to the institute

Gentili di Giuseppe died of natural causes in 1940, and a French court later ordered the auction of 155 artworks he owned to pay his debts after his heirs fled the country.

#### **Argentina sorry for helping Nazis**

Argentina's president apologized for his country's role in harboring Nazis after World War II.

Fernando de la Rua, in Washington on Tuesday, promised to pursue any Nazis who may still be at large.

He also vowed to launch a new investigation into the bombings of the Israeli Embassy in 1992 and the AMIA Jewish center in 1994 — two attacks in Buenos Aires that killed more than 100 people and left hundreds of others wounded.

#### Women fined in Canada incident

A 19-year-old woman was fined in connection with the desecration of close to 300 headstones at a Jewish cemetery in Winnipeg.

Shawna Lehr, one of five young people charged in the case, was ordered to contribute \$17,600 toward the estimated \$100,000 cost of repairing the head-stones.

She was also ordered to attend a Holocaust education seminar.

#### **Charles Bronfman honored**

Philanthropist Charles Bronfman received an honorary doctorate from the University of Toronto on Tuesday.

"He's a very strong Canadian voice in world affairs, especially in the area of human rights," said university spokeswoman Janet Wong.

In 1997, Bronfman and his wife, Andrea, established a \$2 million chair in Israel studies at the Canadian school.

# U.S. administration opposes linkage between aid, arms sale

By Sharon Samber

WASHINGTON (JTA) — The Clinton administration is pressuring members of Congress to ensure that U.S. aid to Israel is not jeopardized by Israel's plans to sell military technology to China.

U.S. Rep. Sonny Callahan (R-Ala.), chairman of the U.S. House Appropriations subcommittee on foreign operations, has said he would block the cost of the sale — \$250 million — in military aid to Israel if it goes ahead with the sale to China.

The administration's effort to block the linkage — and reach a deal with Callahan — comes despite its own public opposition to the sale to China, which it says could endanger U.S. interests in the region.

U.S. Secretary of State Madeleine Albright spoke with Callahan on Monday and appears to have come close to a deal to stop the proposed cut, according to an official.

Albright also publicly reiterated the administration position.

"I want to make clear that although the United States has real concerns about the proposed Israeli sale of Phalcon aircraft to China and we are discussing the matter with the Israeli government, we do not believe that linking this issue to our assistance to Israel is the appropriate way to proceed, and we will oppose any effort on Capitol Hill to do so," she said at a State Department briefing Monday.

Albright's statement came as Callahan's committee was preparing to debate the foreign operations bill, which includes \$1.92 billion in military and \$960 million in economic aid to Israel, on Wednesday. The official said Callahan had agreed not to push for the decrease in Israel's aid if Democrats on the subcommittee agreed not to push for early disbursal of the entire aid package to Israel.

Early disbursement, an almost automatic practice in past years, allows Israel to receive its aid at the beginning of the fiscal year, giving it a financial advantage.

It is not clear why Callahan, who has expressed concern about the China deal based on national security interests, would be satisfied by removing Israel's early disbursal.

Callahan had said he would not block the aid if Defense Secretary William Cohen could assure Congress that the Phalcon sale to China would not endanger American security. Cohen spoke with Callahan last week and asked him not to link the military aid to the Phalcon sale, according to officials.

Callahan's office could not confirm the deal, and last-minute maneuvering appeared likely to continue up until the subcommittee meeting.

The American Israel Public Affairs Committee, which is working hard to stop the Callahan proposal and has been lobbying Callahan as well as others members of Congress and the administration, calls the issue a high priority.

"We are opposed to linking Israel's aid under any circumstances because once it starts it never stops," said AIPAC spokesman Kenneth Bricker.

According to Jo Bonner, Callahan's chief of staff, there are "a number" of lawmakers on both sides of the aisle who are concerned about the Phalcon sale.

The decrease in aid would not be meant as a punishment to Israel, Bonner said, but would be intended to send a message that the sale is "not a wise move."

But sources say Callahan's move to block aid — even if it came at a later stage of the legislative process — is unlikely to survive.

"It's not a question of whether" the language will come out, "but when," the official said.

The Senate has already passed its form of the bill, which includes the full aid package to Israel with no conditional language and no cuts.

The Phalcon sale has spurred many debates regarding the usually tranquil and mutually supportive U.S.-Israel relationship. Both sides have acknowledged increased tensions.

Recently, a joint committee to supervise Israeli arms deals and technology transfers was discussed.

Israeli officials have repeatedly said they wish to honor their Phalcon contract with China, though they acknowledge the U.S. concerns.  $\Box$ 

#### BEHIND THE HEADLINES

### Assad legacy seen in insular U.S. enclave of Syrian Jews

By Peter Ephross

NEW YORK (JTA) — As the funeral of Hafez Assad neared, two Sephardi Jewish leaders from Brooklyn rushed to Kennedy airport, armed with private invitations to the ceremony.

The late president dealt "earnestly and honestly with the Jewish community," said one of the men, Jack Kassin. His father, Saul Jacob Kassin, is a leading rabbi for the Syrian Jewish community in the United States.

In the end, the two men did not go because they received word that their security could not be assured.

But their support for Assad, who died Saturday at the age of 69, remained strong.

"All the Syrian Jews love Assad," Kassin said.

To many Jews, Kassin's words may sound unbelievable. Assad was known for his brutal human rights record, his support for international terrorism and his unwillingness to make peace with Israel.

Assad's legacy is "wretched," said Daniel Pipes, director of the Middle East Forum, a Philadelphia-based think tank. "It's hard to find anything positive to say about his legacy."

Pipes noted not only human rights abuses under Assad's watch, but also the increased militarization of Syrian society and the country's recent economic decline.

But Kassin was not the only recent Syrian Jewish emigre in Brooklyn, the largest enclave of Syrian Jews in the United States, to express admiration for Assad.

In conversations with JTA this week, several thanked Assad for allowing them to leave. They dodged questions about Assad's poor relations with Israel and offered support for his handpicked successor, his son Bashar.

Syrian Jews, mostly from the cities of Damascus and Aleppo, first came in significant numbers to the United States in the beginning of the 20th century. Since then, many have built successful careers in the clothing and jewelry businesses.

More than 30,000 — about 90 percent of the Syrian Jews in the United States, according to Sephardi Jewish activists — live comfortably, in red brick and stucco homes with well-manicured lawns, in Brooklyn.

They are observant — their synagogues and Jewish schools dot the wide boulevards of Ocean Parkway and Coney Island Avenue — and insular.

"They really stick to each other like glue," said Janice Ovadiah, the executive director of Sephardic House, a New York-based organization that promotes Sephardi history and culture.

This sense of isolation was learned in the old country, said Abe Eliahou, an Iraqi-born Jew living in Brooklyn who is married to a Syrian Jewish woman.

"Some of the Syrians that are here were so grouped together, so close-knit, that they had no idea what was going on in the rest of the country," Eliahou said. "The only news they got was what Assad told them."

Early Wednesday morning, some 15 men, mostly from the last wave of Syrian Jewish immigration, said their daily prayers at Congregation Sheveth Achim.

Only the sporadic clinking of change - indicating the giving

of tzedekah, or charity — interrupted the chanting.

After the morning minyan ended, the men, who spoke fluent Arabic but little English, agreed to talk briefly about politics.

They all agreed that they felt sad when they heard of Assad's death.

Assad "gave us freedom. He let us go out of Syria," said one man in halting English who asked not to be identified. "In the beginning, it was tough. But it got better."

The man was one of the roughly 4,000 Syrian Jews who emigrated in the early 1990s after Assad, under pressure from the United States, Israel and world Jewry, lifted emigration restrictions—as long as the emigres did not go to Israel and the effort was not publicized. Most came to the United States, but eventually about 1,500 moved to Israel.

The easing of restrictions on Syrian Jews began in the mid-1980s, said Albert Ayal, founder and first vice president of the Council for the Rescue of Syrian Jewry, a group that promoted the exodus of Syrian Jews in the 1990s.

Jews were allowed to travel freely within the country. They were even allowed to travel abroad for visits, but entire families were not allowed to travel together — to ensure that the travelers returned.

"You take the bird, you put her in a diamond cage. But she's still in a cage," said Ayal.

Some of the Jews who left during the 1990s still have family among Syria's now-tiny Jewish community of no more than 300.

Others, like father-and-son shopkeepers Meir and Morty Chalouh, still own property there. The Chalouhs are negotiating for the return of their store in Damascus, which may partially explain their support for the Assads.

Assad was "good for the Jews so long as you didn't go beyond the border of the law," said the younger Chalouh, who said he may fax a message of condolence to the Syrian Embassy. "If you went beyond the border of the law, it was something else."

The "something else" Chalouh was referring to may have been the poor human rights record of the Assad regime.

In 1974, four Jewish women who were trying to leave the country were murdered. Indeed, throughout the 1970s and 1980s, human rights groups called attention to Syrian Jews who were detained without charges.

But the Syrian Jewish emigres were right in saying that Assad left them alone — at least in comparison with some other Syrians.

In February 1982, Assad, a member of the minority Aleuwite sect, sent troops into the city of Hama to crush an uprising of Sunni Muslims. Some 10,000 people were killed. It's events like these that left one Syrian Jew in Brooklyn not so sad to see Assad go.

"I'm kind of happy he suffered, to tell you the truth," said Yaffa Nachmani, the registrar at the Sephardic Community Center.

"I shed tears when the king of Jordan died, but that was different. I didn't see him as inhuman as Assad. Hussein was different."

Nachmani, who came to the United States with her family in 1956, said she feels "no great loss, but I fear what will happen."

Fear may be a legacy that Syrian Jews took with them to the United States. Several refused to speak to JTA for publication. Some still have family who live in the old country, like Eliahou's Syrian wife, who has a sister there.

"So who's going to rock the boat?" he said, referring to their reluctance to criticize Assad. "It doesn't make sense, but it's good politics."