# Daily News Bulletin

Vol. 78, No. 114

**Monday, June 19, 2000** 

83rd Year

## TOP NEWS IN BRIEF

### Mogul thanks Jewish groups

Russian media mogul Vladimir Goussinsky said pressure from the international Jewish community helped secure his release from prison last Friday.

In an interview with Newsweek, Goussinsky also credited the efforts of the U.S. government, journalists from around the world and Russian businessmen. "I am grateful to all the people who came to my support," Goussinsky said.

### Petition launched for 'Iran 13'

The Conference of Presidents of Major American Jewish Organizations is launching a national petition to gather 1 million signatures to pressure Iran to release the 13 Iranian Jews being tried for spying for Israel.

In addition, the Simon Wiesenthal Center, at www.wiesenthal.com, is organizing an Internet petition calling on Iran's Ayatollah Ali Khamenei to intervene and release the Jews.

#### Lebanon rejects U.N. finding

Lebanon is refusing to accept U.N. verification that Israel has completely withdrawn from the country.

Just the same, the U.N. Security Council endorsed Secretary-General Kofi Annan's finding that Israel has withdrawn to the international border.

### **UJC** approves new budget

The umbrella organization for North American Jewish federations approved a \$41.7 million budget, a \$4.4 million cut from what the United Jewish Communities' predecessor organizations spent before they merged.

Last week, the UJC panel in charge of overseas spending recommended that local community Jewish federations increase their giving for this purpose and choose where 10 percent of the allocation goes.

### Jewish survey to begin in July

A study of 5,000 U.S. Jews is expected to be launched in early July.

The National Jewish Population Survey 2000, initially scheduled to begin in January, was delayed so that its sponsor organization, the United Jewish Communities, could review it further. It is now being modified to ensure that the phone surveys do not take longer than 35 minutes.

# Decline of youth groups forces new thinking for teen outreach

By Julie Wiener

**Engaging** 

**Jewish Teens** 

Part 2 of a Series

NEW YORK (JTA) —Margarita Beznosov thought about enrolling in her temple's confirmation class after her Bat Mitzvah, but it conflicted with a dance class she wanted to take.

Now 15, Beznosov, of West Hartford, Conn., performs in plays at her local Jewish community center and will be working this summer — for pay — as a technical assistant on the JCC's children's shows.

While her rabbi speaks a little mournfully about never seeing Beznosov at her Reform synagogue, the experience of this teen can be read two ways.

Some will say that without continuing her formal Jewish education or participating in a youth group, Beznosov is "at risk" and will be lost to the Jewish community.

Others will see the opportunity that institutions like the JCC, which appeal to interests that are not specifically Jewish,

have in keeping teens engaged — at least on some level — in Jewish life.

Synagogue high schools and year-round youth groups, long the mainstays of Jewish teen programming, today appeal to a limited audience of teens. Leaders in both the Reform and Conservative movements estimate that fewer than 25 percent of the teens whose parents are synagogue members participate in youth groups.

Although no comparative figures exist, those working in the field say they have a strong sense that Jewish teens today are less interested in year-round youth groups than their predecessors were.

Over the past few years, as the American Jewish community has focused on promoting "continuity" and renewal, local federations, the Jewish community centers movement and the religious movements are trying to find new ways to reach teens.

Although no one plans to eliminate the year-round youth group, which attracts a small, committed cadre, those involved with the new initiatives are finding the majority of Jewish kids more likely to participate in shorter, more intensive experiences such as summer camp and Israel trips, as well as ones tailored to their interests.

Rabbi Art Vernon, the staff person at the Jewish Education Service of North America responsible for teens and informal education, has an explanation for the declining interest in youth groups. "Kids are busier, with many other things to do and they're prioritizing activities," he said.

Rabbi Allan Smith, director of the youth division of the Reform movement's Union of American Hebrew Congregations, said, "We're talking now about points of contact as opposed to an ongoing club."

To that end, the UAHC is implementing a national effort called the Youth Initiative. Through the initiative, still in its early stages, synagogues are exploring different kinds of offerings for teens who might not be interested in committing to membership in the movement's National Federation of Temple Youth, which currently attracts some 10,000 students.

Some projects under discussion are community service days, Scholastic Assessment Test prep courses in which teens also talk about how to stay connected to Jewish life while in college, camping trips and wilderness retreats that also involve Shabbat celebrations, guitar lessons focusing on Jewish music and a regional Jewish youth choir.

"We need to engage youth, instead of demanding they fit our model, and we need

### **MIDEAST FOCUS**

### Albright to visit Middle East

U.S. Secretary of State Madeleine Albright plans to visit the Middle East later this week to determine whether Israel and the Palestinian Authority are ready for a summit to finalize an outline of a final peace deal.

The announcement of Albright's trip followed a round of intensive talks in Washington, where the two sides were reported to have made no significant progress.

On Sunday, Israeli defense officials told the Security Cabinet that the absence of progress could lead to Palestinian violence.

### More time given for Shas talks

Israeli Prime Minister Ehud Barak postponed the weekly Cabinet meeting until Tuesday in order to give negotiators more time to try to resolve a government coalition crisis with the fervently Orthodox Shas Party.

The spiritual leaders of Shas instructed the party's ministers last week to resign at the next Cabinet meeting. Barak hopes to keep Shas, the third largest party in the Knesset, in his coalition to secure broad-based backing for future peace deals.

### U.S., Israel discuss arms sales

U.S. diplomats held talks with Israeli military officials to press for greater American supervision of Israeli weapons exports to countries of concern to the United States.

The American delegation also tried to persuade Israel to cancel the sale of an airborne radar system to China, but Israel still plans to complete the sale.

### Israel to release 3 prisoners

Israel announced that it will release three Palestinian prisoners who were involved in attacks on Israelis. Palestinian officials said Monday's planned release falls far short of their demand that 1,650 Palestinian prisoners be freed from Israeli jails.

# Daily News Bulletin

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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.

to go to where they are," said Jonathan Cohen, one of the staff people involved in planning the Youth Initiative and the director of the Reform movement's Henry S. Jacobs Camp in Utica, Miss.

The Youth Initiative, like other new efforts, uses what JESNA's Vernon calls a "boutique" approach: programs that have Jewish content but use other activities as a "hook" to attract teens. One of the largest of such efforts is the Jewish Community Centers Association's Maccabi Games, an annual olympics of sorts that attracts more than 6,000 teens, many of whom do little else under Jewish auspices.

The JCCA, which is now talking about creating year-round teen sports programs that build on Maccabi's momentum, also runs Israel trips specifically for Jewish athletes, with sports training and competitions.

"The carrot is the sports," said Lenny Silberman, continental games director for the Maccabi Games. But when kids were asked what the best part of the trip was, they didn't say "this game or that game, but they said planting trees and seeing Masada."

Sarah Nedwick, 18, a varsity athlete from suburban Chicago who still keeps in touch with her companions from her Maccabi trip three years ago, said she probably wouldn't have gone to Israel if it hadn't been for the basketball component.

"I didn't want to just be hiking all day," said Nedwick. "I wanted to tie something else to learning about our religion."

Among the other programs that use the hook approach are Genesis, a summer school at Brandeis University that combines academic courses and art classes with Jewish programming, and the Jewish Civics Initiative, a program in which teens learn about social action and community service from a Jewish perspective, travel to Washington for seminars, then develop a social action project in their own communities.

Through the civics program, which is sponsored by the Washington Institute for Jewish Leadership and Values, teens in South Palm Beach County, Fla., organized a "homeless fair" to collect household and personal hygiene products for homeless people. Teens in San Antonio, Texas, got involved with a campaign against a state school voucher bill.

Instead of sitting down just to learn about Jewish philosophy or texts, said Rabbi Sidney Schwarz, the Washington Institute's founder and director, "you start with an issue they have an interest in, like abortion or refugees, and then look at what does Judaism have to say about it."

Long-standing youth groups are also trying to look beyond the core of kids who take leadership roles and attend every event.

The National Conference of Synagogue Youth, which is sponsored by the Orthodox Union and serves 30,000 to 40,000 teens per year, half of whom are not Orthodox, offers a range of activities — including Shabbat retreats, sports activities, summer camps, trips to Israel and Israel culture clubs in public schools. And today, the group expects most kids to pick and choose which activities they'll attend.

Some youth organizations prefer to fine tune the year-round club rather than develop a different approach. Jules Gutin, director of the Conservative Movement's United Synagogue Youth, said the clubs work when synagogues make them a financial priority and that USY is focusing on persuading more kids to become members at younger ages, rather than providing alternative activities.

"When you take certain programs out of a year-round context, the long-term impact is not as successful or enduring," said Gutin. While Gutin says membership in Kadima, USY's pre-teen division, is now at an all-time high of 10,000 participants, it is not yet clear how this will affect the older group.

Some youth workers at a conference of the alliance questioned the hook approach and the value in activities that can also be done in a non-Jewish venue. Robin Shrater, the teen coordinator at the Jewish Community Center of Greater Washington, said, "The activities the kids plan are fun and flashy, but I wonder where the Jewish part is."

Fifteen-year-old Ariel Postone, who goes to a Hebrew high school once a week and applauds the idea of Jewish wilderness retreats and social activities to draw in new kids, warns that special programs should have "more Jewish content than, let's say, an SAT prep class."

"I don't think that kids will be drawn to that more than a regular one just because they are there with other Jews," said the Berkeley, Calif., teen.

### **JEWISH WORLD**

### **New AIPAC president named**

The leading pro-Israel lobby in the United States announced that a board member from Cleveland would become its new president. Timothy Wuliger replaces Lonny Kaplan as president of the American Israel Public Affairs Committee. Kaplan has been named the lobbying group's chairman of the board.

### Report: Latvia to charge Kalejs

Latvian prosecutors plan to charge a suspected Nazi war criminal with genocide and seek his extradition from Australia, according to local media reports.

Konrad Kalejs would be the first person to face such charges since the nation won independence in 1991. Kalejs lives in Australia after being deported from the United States, Canada and Britain.

### Polish Jews, U.S. group in pact

Jewish leaders in Poland and a U.S. Jewish group will create a joint foundation to reclaim and preserve properties taken by the Nazis. The deal ended a protracted disagreement between Poland's Jewish communities and the World Jewish Restitution Organization over who would control the foundation.

### Rabbis to lobby in D.C.

Conservative rabbis will meet this week in Washington with Jewish legislators and government officials to discuss hate crimes, separation of church and state, gun control and economic justice issues.

The Rabbinical Assembly, an association of 1,400 Conservative rabbis representing over 1.5 million Jews, will hold its "advocacy days" Tuesday and Wednesday.

### Housing secretary to visit Israel

U.S. Housing and Urban Development Secretary Andrew Cuomo is scheduled to travel to Israel this week to discuss affordable housing construction with Housing Ministry officials.

Cuomo plans to hold meetings June 22-24.

#### Last Jew in Auschwitz town dies

The last Jew living in Osweicim, the town near the site of the Auschwitz death camp, died recently at 72. Shimshon Klueger had lived as a recluse in a hovel.

### Yiddish folklorist dies at 93

Ruth Rubin, a folklorist who collected about 2,000 Yiddish songs beginning in the 1930s, died June 11 in New York at the age of 93. Rubin's collection was known for its emphasis on songs sung by women in the home.

Rubin, who also performed the songs, helped preserve the "world of our mothers," said one scholar.

### UJC delays trip to Ethiopia, N.Y. contingent goes instead

By Ami Eden The Jewish Exponent

PHILADELPHIA (JTA) — Officials with the United Jewish Communities decided last week to postpone a fact-finding mission to Ethiopia that had been scheduled for mid-June.

In response, however, at least one federation decided to push forward with its own trip Saturday.

The UJC mission had been charged with studying the plight of 26,000 Ethiopians still wishing to immigrate. Most are Falash Mura, a term used to identify the descendants of Jewish converts to Christianity. About 18,000 are living in squalid conditions in the Ethiopian capital of Addis Ababa and the outskirts of Gondar.

Many Ethiopian advocates insist that the Falash Mura should be brought to Israel because they have returned to their Jewish roots.

Others complain that Israel has been slow to evaluate immigration requests from the Falash Mura, though many of these Ethiopians qualify under the country's Law of Return, since the measure allows for children and grandchildren of a Jew to make aliyah, regardless of their religion.

The decision to delay the UJC trip was promptly criticized by at least two members of the delegation, including Kenneth Kaiserman, chair of the Israel and Overseas Committee of the Jewish Federation of Greater Philadelphia.

"I'm bitterly disappointed, because I think the situation is so grave that Jewish communities have to focus on it as soon as possible," said Kaiserman, who is also president of the North American Conference on Ethiopian Jewry.

David Arnow, a member of the UJC mission and a member of the executive committee of the UJA-Federation of Greater New York, said he is still headed to Ethiopia as part of an alternative mission organized by the New York federation after the UJC canceled its trip.

Bob Reitman, chairman of the UJC committee studying the Falash Mura issue and a trustee of the Jewish Community Federation of Cleveland, said the UJC trip was delayed for several reasons.

First, he said, there were concerns about the security situation in Ethiopia, which Sunday signed a peace agreement ending its war with its northern neighbor, Eritrea. Another factor was the difficulty of securing a flight from Addis to Gondar, said Reitman, whose committee operates under the jurisdiction of UJC's Israel and Overseas pillar.

Another problem, according to Reitman, was that only about half of the committee's 10 members were available to make the trip in June. Reitman also said that when he sought the advice of officials from UJC's overseas funding recipients — the American Jewish Joint Distribution Committee and the Jewish Agency for Israel — officials from both organizations suggested that a June trip was premature.

"In both cases, we reached out to them and asked if they would provide ground support. Their uniform response was, We think you're going prematurely, but if you go, we will support you," said Reitman.

According to Reitman, JDC and Jewish Agency officials believe that more time was needed to evaluate recent reforms implemented by Israeli Interior Minister Natan Sharansky, who visited Ethiopia in April.

Sharansky's office had come under fire for allegedly dragging its feet on the processing of Falash Mura immigration applications.

To speed up the process, Sharansky has pledged to take several steps, including the hiring of several additional workers in Ethiopia and Israel to handle future applications.

Stephen Solender, UJC's president and chief executive officer, noted that the pace of immigration has already increased, with several hundred Falash Mura having arrived in Israel during the past three weeks.

"The mission will take place," Solender said. "There is a commitment on our part to go as soon as possible after July 1."  $\hfill\Box$ 

### **FOCUS ON ISSUES**

# High-tech start-ups leave Israel, need to go West to join gold rush

By Avi Machlis

JERUSALEM (JTA) — A 27-year-old Israeli software entrepreneur passed the first test toward fulfilling Israel's new high-tech dream.

Benny Lehmann raised \$3 million in the first round of funding for his start-up company.

If all goes well, Lehmann will steer his nascent Jerusalem-based firm, Digital Fuel Technologies, toward success by providing a solution to major problems faced by the emerging application service provider industry.

But amid the excitement of setting up a new business that could become the next rising Israeli star on the technology-heavy Nasdaq stock market, Lehmann is not all smiles.

Traveling halfway across the world on 18-hour flights every month for business meetings in California's Silicon Valley has taught Lehmann what many of his peers have already discovered — he must move to the United States for his company to succeed.

"I've got to be close to the customers and potential future investors," he says, acknowledging that he will probably have to relocate within months. "It's very difficult. I feel much more comfortable here in Israel. But this is the only way to build a company today."

As hundreds of new start-ups are established in Israel each year, Lehmann's dilemma is one faced by a growing number of entrepreneurs. Venture capitalists who helped finance Lehmann's start-up said registering in the United States is the only way for him to succeed.

"Yored," the derogatory word once used to characterize Israelis who decide to live abroad, is nowhere to be heard in the high-tech context. The move abroad has become a necessity to build a company in a global business environment and, maybe, to increase the chances of getting rich along the way.

However, the trend shows that Israel's high-tech sector is at a major crossroads even as it reaches astonishing new heights.

The quandary Israel faces as it tries to keep companies at home was clearly visible last month when Lucent Technologies, the world's biggest telecommunications equipment manufacturer, bought Israeli-founded Chromatis Networks for \$4.5 billion in stock. It was a record deal for a company founded by Israelis.

But like most Israeli start-ups today, Chromatis is not completely Israeli anymore. Chromatis is registered in Virginia, while maintaining a research and development center in Petach Tikva, near Tel Aviv.

Although Chromatis' original investment team was led by Jerusalem Venture Partners, an Israel-based investment group, most of the investors who profited from the deal were American.

And even though Rafi Gidron and Orni Petruschka, the Israeli founders who have secured a place in the Israeli high-tech hall of fame, pocketed a personal windfall reported at \$700 million each, they are unlikely to pay much tax in Israel due to smart tax planning that accompanies most corporate moves abroad.

The question is whether there is a clash between the needs of investors — who are pumping a record \$2 billion into the venture capital industry alone this year — and the best interests of the

Israeli economy, which is to keep companies based at home.

High-tech players complain that the business environment and tax system in Israel turn off foreign investors, who insist that companies register in the United States to make their lives easier.

Not only is this creating a brain drain of the smartest players in Israeli high-tech — since the founders usually leave with the company — but it could deprive Israel's economy of tax revenues, thousands of potential jobs and indirect economic benefits of building global companies based in Israel.

For most entrepreneurs, the primary reason to move is because the United States is considered the key marketplace, and young companies need to be on the ground to sell their new technologies.

Even those who want to try to build an Israel-based company are left little choice.

"The first thing a fund manager tells an entrepreneur is to go establish headquarters in the U.S.," says one entrepreneur, speaking on condition of anonymity because he has been soliciting several funds for financing. "I have gotten in trouble by saying I want to stay."

A recent report by the Israel Democracy Institute, an independent think tank, warned that although the high-tech sector "saved the Israeli economy" during the 1990s, there is "no guarantee" that it would continue to be the engine for economic growth in the future.

Atop a list of "severe dangers" that threaten the Israeli high-tech boom, the report said that in the last year, 90 percent of "Israeli" high-tech companies were established overseas, mostly in the United States.

Rami Kalish, managing director at the Polaris Venture Capital group, Israel's biggest venture fund, says the government is taking the issue more seriously. But it must move faster and quickly learn the rules of the game in a global business environment, or face a continued exodus of the most promising companies.

For its part, the government has taken some steps to improve some elements of the tax regime, under recent sweeping tax reform proposals.

However, those reforms face fierce political objection from the Histadrut, Israel's powerful trade union federation, and they may never get pushed through the political system.

In any case, says Avi Ben-Bassat, director general of the Finance Ministry and the architect of the reforms, the government cannot advocate policies that favor a particular industry.

Ben-Bassat agrees that high-tech is the "leading industry of the state of Israel" and says the government must "create a comfortable" economic environment. "We have taken some steps that significantly increase the motivation of companies to continue operating in Israel. If we take away as many barriers as possible, I think more and more companies will stay," he says.

Chemi Peres, also a managing director at the Polaris fund, says the playing field must be completely leveled if Israel is to benefit from the creation of a sector that will be viable for the long term.

If not, Israel could end up being just a big research and development center for Silicon Valley companies.

"The Israeli economy has two options," he says. "Either to have the industry set up as Israeli companies, and gain everything associated with it, or to have all Israeli companies go and register as foreign companies and we will lose all the benefits."

"This is one of the main challenges facing the government," he adds. "Either way, the industry will grow by itself."