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TOP NEWS IN BRIEF

Israeli concessions detailed

Israel agreed to grant the Palestinians 88 percent of the West Bank at the failed Camp David talks, according to a "very senior source" traveling on Prime Minister Ehud Barak's plane to Israel from Washington.

The source, quoted by Israel Radio, also said Israel had agreed to absorb several thousand Palestinian refugees as part of family reunification. [Page 2]

Law on statehood introduced

A bipartisan group of U.S. lawmakers introduced legislation to underscore U.S. opposition to a possible unilateral declaration of Palestinian statehood.

The group is led by Rep. Jerrold Nadler (D-N.Y.). [Page 4]

Arafat: I defended Muslims

Palestinian Authority President Yasser Arafat said he defended the Arab and Muslim world's interests in Jerusalem at the Camp David summit.

Jerusalem "is for the Palestinians, for the Arab nation, for the Christians and for Muslims everywhere," the Palestinian leader said after receiving a hero's welcome upon his return to the Gaza Strip.

Conference delays ouster vote

The Conference of Presidents of Major American Jewish Organizations tabled a decision on ousting four members because the group deemed its own membership criteria to be too vague. On Wednesday, a committee was given six months to clarify the criteria.

Israel raised restitution issue

Israel called during the Camp David summit for the restitution of Jewish properties abandoned in Arab lands, a source familiar with the talks told JTA.

In the past, Israel has brought up the issue as a counterpoint to Palestinian demands for a right of return of Palestinian refugees.

Three arrested in shul arson

Israeli police arrested three suspects in connection with last month's arson at a Conservative synagogue in Jerusalem. The Conservative movement said the three arrested in the Ya'ar Ramot arson had recently adopted an "extreme Orthodox lifestyle and are known to the police for other criminal activities."

BEHIND THE HEADLINES

Left dejected, right jubilant, but all sides say it's not over

By Avi Machlis

JERUSALEM (JTA) — The collapse of the talks at Camp David did little to dispel the deep feeling of uncertainty felt by most Israelis over the future of the region.

On the face of it, hard-liners were jubilant and the peace camp was dejected, as could be expected.

Just the same, settlers who oppose any accord know that the peace process is not yet over. There could still be a full or partial agreement that would include giving up most of the West Bank and even parts of Jerusalem. For doves, the Camp David collapse is not yet the death of their dream, though it has raised serious questions about their conception of the Palestinians as a peace partner.

All of these views were present Wednesday in downtown Jerusalem, which always serves as a microcosm for the mood in Israel. As an indication that confusion remained, there was no open display of passions from either side.

There may have been endless chatter on the radio and television about the ramifications of the summit's failure, but on the streets, there was no politicking and billboards remained relatively free of propaganda.

Leah Gilboa, a retiree, said she was disappointed that no agreement had been reached — and that she was willing to hand over Arab neighborhoods of Jerusalem.

"But we cannot reach an agreement if the other side is unwilling to make any compromise," she said. "Maybe we were a little naive to think that the Palestinians would declare an end to the conflict. Perhaps they are not ready for peace."

Yet Gilboa has not lost hope. "I'm just a bit more realistic now," she said. "I think, though, that this is just a timeout and the talks will continue."

Moshe Beigel, a 41-year-old jeweler who lives in the settlement of Efrat near Jerusalem, said he was upset that the talks had broken down.

"I would like a solution," said Beigel, even though he felt Prime Minister Ehud Barak had gone too far in his willingness to give the Palestinians authority over some sections of Jerusalem.

"If he negotiated an end to the conflict, Israelis would be willing to go a long way," he said. "But I don't think the Palestinians are ready to go that course."

There are plenty of Israelis who were happy that Barak came home empty-handed, and not all of them live in the West Bank or fit the stereotype of hard-line gun-toting religious settlers.

Hila Pikali, 15, said she was completely opposed to any division of Jerusalem, even the Arab neighborhoods she has never visited. "It's good that Barak came home with nothing," she said. "Jerusalem must stay united under Israeli sovereignty — even if it would not make such a big difference in my life."

Others were more vague, concerned that the summit's failure could spark violence, yet uncertain that big concessions would have given Israelis anything.

"If I knew that concessions in Jerusalem would be the end of the conflict then I might have agreed to such a deal," said Rami Levy, a 25-year-old student from Tel Aviv. "The problem is that today it's east Jerusalem, tomorrow it's all of Jerusalem, and the next thing you know they will want Tel Aviv."

Yet amid the confusion, one thing is certain — the permissible boundaries of public discourse in Israel have clearly shifted. After 33 years in which Israelis have believed unequivocally and across the political spectrum that Jerusalem is the undivided and

MIDEAST FOCUS

IDF to meet with Palestinians

The Israel Defense Force chief of staff said he plans to meet with Palestinian security officials soon to discuss ways of avoiding confrontations following the failed Camp David summit.

Lt. Gen. Shaul Mofaz also said the failure did not necessarily mean violence would erupt.

Iran, Syria blame Israel

Iran blamed the failure of the Camp David summit on Israel and called on Palestinians to rethink their willingness to negotiate with the Jewish state.

"These negotiations clearly showed that the Zionist regime is not ready to respond to the slightest demands of the Palestinians," Foreign Minister Kamal Kharrazi told the IRNA news agency.

In Syria, the official Ba'ath newspaper also blamed Israel and said the summit's failure could lead to a new Palestinian uprising.

Israel checking Lebanese claims

Israeli officials said they are checking into Lebanese claims that Israel violated the two nations' border.

The comment came after U.N. peacekeepers in Lebanon confirmed that Israelis crossed into Lebanese territory at various points.

The alleged violations are preventing the deployment of U.N. peacekeeping forces in southern Lebanon, U.N. officials said.

Lawmakers agree on the clock

Religious and secular lawmakers in Israel recently reached a compromise on one divisive matter: daylight savings time.

A bill that was submitted jointly by Knesset members from the fervently Orthodox Shas Party and the secular Shinui Party will have summer time start at the beginning of April and conclude at the end of September.



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Shoshana S. Cardin, *President*

Mark J. Joffe, *Executive Editor and Publisher*

Lisa Hostein, *Editor*

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eternal capital of Israel, it is easy to find people to speak openly about compromising on the city.

Meir Micha, the owner of the Pinati restaurant, said he was very worried that the collapse of the talks could lead to violence. He would be willing to give up anything for peace — except Jerusalem. However, he immediately explains that for him Jerusalem means the Old City. "I couldn't care less about the Arab neighborhoods," said Micha, 47, admitting that nobody dared make such statements in the past.

"A few months ago, I could have been shot for saying that." □

Hints begin to surface of more Israeli-Palestinian negotiations

By Naomi Segal

JERUSALEM (JTA) — Despite the failure of the Camp David summit, some optimistic notes are being sounded about the prospects for peace.

Some observers are saying that the talks opened up areas of discussion the two sides had never ventured into before, and that this could prove fruitful in the weeks ahead.

The White House did not rule out the possibility of another summit, but spokesman Joe Lockhart said Wednesday that there are currently no plans "to bring the leaders back for a session with the president."

Upon his return to Israel on Wednesday, Prime Minister Ehud Barak hinted that there could be more talks with the Palestinians.

"Today I return from Camp David, look in the millions of eyes on whose behalf I went, and say with a crushed heart, we have not succeeded — for now," Barak said at an official welcoming ceremony at Ben-Gurion Airport.

At the same time, however, Barak left little doubt of whom he blamed for the summit's failure. "We did not succeed because our neighbors, the Palestinians, have not yet internalized that for a true peace they must concede on some of their dreams," Barak said. "They have to give, not just demand."

Attorney General Elyakim Rubinstein, who had attended the Camp David summit, said Wednesday in New York that the onus is now on the Palestinians to take the next step in the peace process.

Rubinstein — whom Barak sent to New York to provide Jewish leaders with insight into what transpired at the summit — said at a news conference that despite the ultimate failure of the talks, dialogue between the two sides would continue.

"We are not going away. The Palestinians are not going away," he said. "But I think now it's their turn."

Following the summit's failure, details are beginning to emerge about the stances taken there by Israeli and Palestinian leaders. According to a "very senior source" traveling on Barak's plane to Israel from Washington, the following positions were put forward at the summit:

- Israel agreed to grant the Palestinians 88 percent of the West Bank;
- Israel agreed to absorb several thousand Palestinian refugees within the framework of family reunification.
- Palestinian Authority President Yasser Arafat refused to back off his demand for the right of all Palestinian refugees to return to the homes they abandoned during the 1948 War of Independence.
- The Palestinians rejected a proposal by President Clinton to delay a decision on Jerusalem's Temple Mount and the Old City for several years.
- Israel agreed to grant the Old City a special status under which it would remain under Israeli sovereignty while granting free access to holy sites to all religions.
- Israel agreed to grant the Palestinians autonomous rule over the Temple Mount, but with a request that a special section be reserved for Jewish prayers. Israel also proposed that the Palestinians have free access to the site via a road or bridge.
- Israel proposed that a Palestinian capital be established adjacent to the municipal boundaries of Jerusalem and be under Palestinian municipal rule, but with Israeli law still in effect. □

JEWISH WORLD

Judge approves Swiss banks plan

A U.S. judge approved a plan by Switzerland's leading banks to pay \$1.25 billion to settle Holocaust-era claims.

Judge Edward Korman must next approve a plan for distributing the settlement, which the banks first agreed to in August 1998.

Terrorist victims strengthened

The U.S. House of Representatives passed legislation that strengthens a 1996 law allowing victims of terrorism to sue the state believed to have sponsored the act.

The Terror Victims' Rights Act restricts the president's ability to issue waivers preventing the release of a state's assets.

The Clinton administration issued such a waiver after the parents of Alisa Flatow, who was killed in a 1995 bus bombing in the Gaza Strip, won a \$247.5 million judgment against Iran.

Russian objector sentenced

A Russian Jewish conscientious objector was sentenced to one year in prison for his refusal to serve in Russia's war in Chechnya, according to the Union of Councils for Soviet Jewry.

But the judge who sentenced Dmitry Neverovsky released him on amnesty.

Neverovsky's lawyer said he would appeal the sentence.

Camp counselors fired for pot

Eight young counselors at a Jewish camp in Michigan were recently fired for smoking marijuana on the job, according to the Detroit Jewish News.

The dismissal of the Camp Tamarack counselors, who were caught using the illegal substance in areas not frequented by campers, comes at a time when Jewish camps around the country are facing a shortage of qualified personnel.

Ethnic Web sites to be sold

A company that operates the Virtual Jerusalem Web site is selling its ethnic Web sites. Virtual Communities said it would focus primarily on developing and marketing software for Internet development and site management. Virtual Jerusalem hosts JTA's Web site.

Film to depict Righteous Gentile

Varian Fry, the first American to be honored as a Righteous Gentile by the Yad Vashem Holocaust Memorial in Jerusalem, is the protagonist in an upcoming television movie being shot in Montreal.

"Varian's War: A Forgotten Hero" will depict the collaboration of French police and officials in deporting Jews to death camps, according to Variety.

BEHIND THE HEADLINES

Despite disagreements, Cheney earned respect of Jewish leaders

By Sharon Samber

WASHINGTON (JTA) — When American forces were sent to the Middle East in 1991 to fight the Persian Gulf War, some unit commanders suggested that Jewish soldiers could change their dog tags to eliminate their religious identification.

When approached by the Anti-Defamation League, then-Secretary of Defense Dick Cheney made it clear that such suggestions were not official policy and would be "unacceptable."

The story, according to ADL national chairman Abraham Foxman, shows that George W. Bush's choice for his Republican running mate is "sensitive to Jewish concerns."

On matters of foreign policy, many Jewish officials share the assessment of Foxman, whose group honored Cheney with its Distinguished Statesman Award in 1993. But on domestic issues, Cheney's record could prove troublesome for some Jews. Critics cite his staunch opposition to abortion rights, gun control measures and gays in the military.

Whether Cheney will prove to be an asset or a liability in the Republican quest for Jewish votes is not clear. Cheney, 59, is a known quantity to American Jews, having served as defense secretary from 1989 to 1993 under President Bush, chief of staff under President Ford and in Congress for 10 years.

His voting record and his actions in the Cabinet show him to be a strong conservative who consistently supported Israel.

As head of the Pentagon under Bush, he helped direct the operations of the Persian Gulf War, one of America's largest military campaigns, and sent U.S. Patriot missiles to defend Israel from Scud attacks Iraq.

At the time, many Jewish groups objected to the U.S. insistence that Israel not retaliate and let the U.S.-led international operation defeat Iraq, but there was general agreement that the U.S. effort in the Persian Gulf responded to Israel's needs.

After the war, Israel enjoyed a new level of military and strategic closeness with the United States — for which Cheney gets high marks, said Marshall Breger, a professor at Catholic University's law school, who was a former special assistant to President Reagan and held senior positions in the Bush administration.

Based on his experience, Cheney may attempt to reach out to Jewish voters. Breger recalls that as a congressman during the early 1980s, Cheney attended lunches hosted for Republican Jewish leaders by the House leadership.

Cheney was very interested in outreach and engaging the Jewish community, Breger said.

Though Cheney was critical of specific Israeli policies — such as the invasion of Lebanon in 1982 and the Jonathan Pollard spy case — he appears to have earned the respect of many Jewish leaders.

"He was not automatically supportive of every action that Israel took," said Jess Hordes, the director of the ADL's government and national affairs office in Washington. But his overall record as a congressman and as secretary of defense is generally viewed as positive.

Cheney is "excellent" on issues of U.S.-Israeli security cooperation, according to Shoshana Bryen, director of special projects for the Jewish Institute for National Security Affairs. At a 1991 JINSA event, Cheney, who serves on the group's advisory board, thanked Israel for destroying an Iraqi nuclear reactor in 1981, an act that the United States had denounced at the time.

In a statement, Howard Kohr, executive director of the American Israel Public Affairs Committee, said Cheney played a "leadership role" in securing support for the joint American-Israeli Arrow missile defense system.

But AIPAC also noted that throughout his tenure, Cheney supported U.S. arms sales to Arab states, including the 1981 sale of AWACS planes to Saudi Arabia, a sale the Jewish community had actively opposed. □

Jewish group says Texas jobs program proselytizes

By Sharon Samber

WASHINGTON (JTA) — The issue of charitable choice has been discussed in Congress and in presidential campaigns, and now it's in the courts.

In what is being called the first known constitutional challenge to a charitable choice contract and statute, the American Jewish Congress and the Texas Civil Rights Project filed a lawsuit Monday against a social services program in Texas. They are saying the jobs program used tax funds to support religious practices in violation of the constitutional separation between church and state.

The Jobs Partnership of Washington County in Brenham, Texas, is alleged to have used state funds to proselytize, buy Bibles and force participants to accept Jesus.

Marc Stern, co-director of the American Jewish Congress' legal department, called the program "fairly egregious."

"This program stands out because the religious programming is essential," he said.

Charitable choice, passed as part of the 1996 welfare reform, allows religious institutions to bid for government social service contracts.

Many Jewish groups oppose charitable choice programs because of the threat to church-state separation and potential religious coercion and employment discrimination.

The Jobs Partnership had a contract with the state Department of Human Services, though the one-year grant has expired.

Chris Traylor, a spokesman for the department, said the agency had not received any complaints about the program.

Under the charitable choice statute if program participants object to the religious character of an organization providing them with assistance, the state is required to provide an alternative.

Traylor said that the grant money was intended strictly for the provision of social services.

The department contracts with 130 community-based organizations, some of which are religious institutions. The department's Web site says charitable choice is "expanding the involvement of faith-based and community organizations in the public self-sufficiency effort while protecting the rights of beneficiaries and service organizations."

Traylor said the department plans to examine the case closely.

The AJCongress says the program convinces students of the need to "change from the inside out, rather than from the outside in, and that can only be accomplished through a relationship with Jesus Christ."

The organizations are petitioning the court to declare the contract unconstitutional and to order the jobs program to return the money it received. The lawsuit also asks that Texas be prohibited from entering into other programs that "promote religious doctrine or engage in religious discrimination in employment" and to invalidate the federal charitable choice statute.

"In charitable choice programs, you can't indoctrinate or proselytize but you can use religion in the programming," Stern said. "How can you have both?"

Stern says it is a coincidence that the case stems from a program in Texas, the home state of Republican presidential

candidate George W. Bush, and that the organization is investigating other programs in New York and California for church-state violations.

Both Bush and his Democratic rival, Vice President Al Gore, support charitable choice programs. □

U.S. Congress warns Palestinians against any unilateral declarations

By Sharon Samber

WASHINGTON (JTA) — If Yasser Arafat unilaterally declares a Palestinian state, the U.S. Congress will have something to say about it.

Lawmakers introduced legislation Wednesday that would block all U.S. aid to the Palestinian Authority if Arafat carries out his promise to declare statehood on Sept. 13.

The congressional move comes just one day after the peace talks between Israelis and Palestinians collapsed after 15 days of negotiations at Camp David. The trilateral agreement that came out of the summit stipulated that both parties should refrain from unilateral acts.

In addition to blocking the annual aid of \$100 million that goes to the Palestinians, the bill, the Middle East Peace Process Support Act, would preclude the use of any funds to extend American recognition of a unilaterally declared Palestinian state, including money for diplomatic personnel or to establish an embassy. It also calls on the United States to oppose admission or recognition of any such state to the United Nations.

The bipartisan legislation is intended as "a warning" to Arafat, said Rep. Jerrold Nadler (D-N.Y.), who co-sponsored the bill in the House of Representatives with Rep. Tom Reynolds (R-N.Y.). Similar legislation was expected to be introduced in the Senate.

"To enjoy financial assistance from the United States, Arafat must continue a dialogue with Israel," Nadler said at a news conference outside the Capitol on Wednesday.

Currently, Palestinians receive approximately \$100 million in U.S. aid annually through programs administered by non-governmental organizations monitored by the U.S. Agency for International Development.

Since U.S. funds are only a small percentage of the international assistance the Palestinians receive, lawmakers also said they want the administration to pressure European countries not to recognize a unilaterally declared Palestinian state.

Two pro-Israel groups, the American Israeli Public Affairs Committee and the Israel Policy Forum, lauded the congressional action. A unilateral declaration of a Palestinian state would be "anathema" to the peace process, Tom Smerling, director of IPF's Washington Center, said, adding that it "couldn't hurt" for Arafat to hear the threat from Congress.

AIPAC's executive director, Howard Kohr, said the legislation sends "a strong signal to Arafat that Congress will reject any attempt to disregard the most fundamental principle of the peace process — that peace must be achieved through direct negotiations, not unilateral actions and threats of violence."

Since Congress is heading into its August recess, lawmakers said they hope the issue would be taken up soon after Labor Day, when they return for several weeks before concluding this congressional session. □