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84th Year

TOP NEWS IN BRIEF

Talks continue despite ambush

An Israeli was killed when Palestinian gunmen opened fire as he was driving past an Arab village close to Jerusalem. Prime Minister Ehud Barak, who said Israeli-Palestinian peace talks should continue despite the ambush, vowed to catch and punish those responsible for Thursday's "despicable murder."

The two sides are making progress in drawing the borders of a future Palestinian state, according to negotiators.

The upbeat comments came as the two sides resumed talks Thursday in the Egyptian Red Sea resort of Taba. Israel suspended the talks for two days after two Israelis were killed earlier this week in the West Bank.

Palestinian officials said they arrested four men for allegedly killing the two Israelis. Palestinian security officials said Thursday that one of the four was Maslama Thabet, a nephew of Thabet Thabet, a senior Fatah official in Tulkarm.

Palestinian officials accuse Israel of recently assassinating Thabet Thabet for ordering attacks on Israelis.

In another development, Israeli troops shot dead two Palestinians during a battle with gunmen Tuesday night in the Gaza Strip. The army said the two were trying to penetrate a Gaza settlement.

High court won't bar peace talks

Israel's Supreme Court rejected petitions by opposition legislators to halt the ongoing Israeli-Palestinian talks in Taba, Egypt. Chief Justice Aharon Barak said in Thursday's 6-1 ruling that there is no legal basis for the court to intervene.

The petitioners had claimed that the government of Prime Minister Ehud Barak does not have the right to negotiate Israel's future on the eve of the Feb. 6 election for prime minister.

Sharon aides meet Arafat adviser

Israeli opposition leader Ariel Sharon sent aides to Austria to meet an economic adviser to Palestinian Authority President Yasser Arafat.

Eitan Ben-Tsur, a former director general of Israel's Foreign Ministry who was a participant in the meeting, said Thursday the two sides had discussed diplomatic matters, not the casino in the West Bank city of Jericho, as Israeli media had reported.

NEWS ANALYSIS

Patriotism, politics and price at issue in Israeli natural gas deal

By Gil Sedan

JERUSALEM (JTA) — For months, Israeli leaders deliberated over whether to buy natural gas from Egypt or develop local sources, a decision with consequences for Israel's strategic position in the region.

The Israel Electric Corporation's directors decided to split the difference, announcing Thursday that they would open negotiations with an Egyptian company to buy 1.7 billion cubic meters of gas — while acquiring 1.5 billion cubic meters from a local supplier.

In so doing, they sought to reconcile three competing interests — the establishment of closer business ties with Egypt, the promotion of the local gas industry and the desire not to depend too heavily on a potential antagonist for such a crucial resource.

Some members of the electric company's directorate had warned against giving Egypt any influence over Israel's gas supply.

On Thursday, however, Prime Minister Ehud Barak told business executives in Tel Aviv that the IEC had struck the right balance, as competition between various suppliers would lead to lower prices and allow Israel to maintain strategic reserves of gas for many years.

Opposition leader Ariel Sharon, who is challenging Barak in Israel's Feb. 6 elections, disagreed.

"Israel must achieve independence in natural gas since it would free" the country "from depending on foreign elements, especially in regional politics during periods of crisis," Sharon told the Federation of Israeli Chambers of Commerce in an economic policy speech Wednesday.

The history of the gas deal reads like a tale of teen-aged lovers.

For years, Israel courted Egypt, while Cairo spurned all offers.

Last year, Israel turned the tables when it found enough natural gas off its own shores to supply the country's needs for at least 15 years.

Suddenly, Egypt, which has resisted significant business ties with Israel despite a two-decades-old peace treaty, accused Israel of turning its back on normalization with the Arab world.

As Israeli companies wrote radio jingles urging the public to support "blue-and-white" gas — a reference to the colors of the Israeli flag — Egypt belatedly warmed to the vision of a "peace pipeline" to provide its gas to Israel, Turkey, Lebanon, Syria and the Palestinian Authority.

The main customer is the IEC, which uses some 2.5 billion cubic meters of natural gas annually at a cost of \$200 million to \$250 million.

The main bidders were Israel's Thetis Sea partnership, the Israeli company Iramco, and EMG, an Israeli-Egyptian consortium.

The basic trade-off was this: While Israeli gas is more expensive than Arab gas — and there is less of it — the supply is more secure and doesn't leave Israel dependent on a potential antagonist for such a crucial commodity.

Albert Papouchado, president of the Israel-Egypt Chamber of Commerce, told JTA that he backed the Egyptian deal.

Under such an arrangement, an underwater pipeline would run from El Arish in Egypt's Sinai Desert, off the Israeli shore and through the Mediterranean Sea all the way to Turkey.

"If we have an agreement, this will be a very important step to push forward

MIDEAST FOCUS

Bush phones Arab leaders

President Bush spoke by telephone with Arab leaders and emphasized the strong relationship the United States has with their countries. During Wednesday's calls, Bush had what the White House termed "introductory" conversations with Egyptian President Hosni Mubarak, King Abdullah of Jordan and Saudi Arabia's King Fahd and Crown Prince Abdullah.

Classified Sharon records sought

A legislator from Israel's Meretz Party asked the High Court of Justice to allow publication of the classified sections of a commission report that led Ariel Sharon to resign as defense minister in the wake of the 1982 Lebanon war. Zehava Gal-On said the information is relevant because Sharon is running to become Israel's next prime minister.

Public workers' strike continues

An Israeli court plans to rule Friday on whether to block an ongoing strike by public sector workers seeking higher wages. The strike has halted garbage pickups in Jerusalem, Tel Aviv and Haifa, and briefly closed Ben-Gurion Airport earlier in the week.

Hostage's family seeks help

Relatives of an Israeli businessman abducted in October by Hezbollah are spending two days in Athens, where they hope to convince Greek officials to help secure his freedom. The family of Elhanan Tannenbaum has been touring Europe to raise awareness about his abduction.

Ova-eager doctors to be charged

Israeli prosecutors will press charges against several doctors suspected of participating in an in-vitro fertilization scandal. The physicians are suspected of giving women excessive amounts of hormones without their knowledge in order to make them produce more eggs, which the doctors then removed and sold.



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normalization," Papouchado said. Nimrod Novik, vice president of the Merhav Group — the Israeli partner in the EMG consortium — believed the deal was too good to reject. Nor would it put Israel at Egypt's mercy, he said.

On the contrary, "such a deal will make Egypt dependent on a regular income from a pipe that will serve both Israel and Turkey," Novik said. But Israeli gas producers warned that Israel should not rely on an Arab state for energy.

As proof, skeptics cited Egypt's behavior since the violent Palestinian uprising began in late September. Though momentum in Israel had begun to swing back toward a deal with Egypt — or some combination of Israeli and Arab gas — Egypt pulled its ambassador from Tel Aviv and threatened to build a pipeline that circumvents Israel.

While the proceeds Egypt would reap from a deal are "not insubstantial," they would not outweigh the potential political capital Egypt would earn in the Arab world by using the gas supply as a weapon against Israel, Shmuel Even, former head of the economic research division in Israeli military intelligence, wrote recently in the Ha'aretz newspaper.

The paper identifies Even as a consultant to Delek Drills, which has holdings in Thetis Sea.

Moreover, according to Avinoam Finkelman, president of Delek Drills, "the import of Egyptian gas to Israel will mean a death sentence for gas exploration in Israel."

As for the normalization argument, Finkelman pointed out that Israel already has bought tens of billions of dollars in oil from Egypt.

"I do not see that this contribution of ours to the Egyptian economy has warmed up the peace between Israel and Egypt," he said.

After years of disappointing finds, in the past year Israeli exploration firms detected some 45 billion cubic meters of gas reserves off the shore of Ashkelon. Israel's anticipated natural gas consumption during the next 15 years does not exceed 37.5 billion cubic meters. Almost immediately, Egypt's attitude toward a gas deal with Israel changed, and Egyptian officials seemed to forget that they had been stonewalling their Israeli counterparts for six years. □

Arrest of second Russian magnate could frighten other Jewish leaders

By Lev Gorodetsky

MOSCOW (JTA) — Russian police have arrested a prominent Jewish leader in St. Petersburg and may charge him with kidnapping two people, according to the city's chief prosecutor.

Mikhail Mirilashvili, 40, is one of the city's most influential business magnates and head of the St. Petersburg branch of the Russian Jewish Congress.

Observers believe Wednesday's arrest of Mirilashvili was not motivated by anti-Semitism.

Still, it could frighten wealthy businessmen who are the main supporters of the RJC, thereby harming one of Russia's largest Jewish communal organizations.

Mirilashvili, who lived in Tbilisi, Georgia, before moving to St. Petersburg, is one of the wealthiest people in the city and owns casinos, hotels and shops, including St. Petersburg largest's department store.

It is unclear whether the arrest of Mirilashvili is connected to an ongoing Kremlin campaign to prosecute media tycoon and Russian Jewish Congress leader Vladimir Goussinsky on embezzlement and fraud charges.

Mirilashvili, who holds both Russian and Israeli citizenship, heads the board of directors of the Russian Video company.

That company is part of Goussinsky's media empire. Goussinsky is currently under arrest in Spain, and a Spanish high court is slated to decide whether to extradite him to Russia to face charges.

St. Petersburg prosecutor Ivan Sydoruk told a news conference this week that the case against Mirilashvili was not linked to the charges against Goussinsky.

"At issue here is kidnapping. There cannot and must not be any other undertones," Sydoruk said.

The central offices of Goussinsky's media empire were searched on Thursday. □

JEWISH WORLD

JNF says an investigation shows it did not deliberately uproot trees

By Naomi Segal

House Mideast panel planned

U.S. legislators may create a new Middle East subcommittee that would operate under the U.S. House International Relations Committee.

Sources familiar with the process say the former chairman of the International Relations Committee, Rep. Benjamin Gilman (R-N.Y.), is likely to head the subcommittee.

Slave payments may be delayed

Germany may delay payments to Holocaust-era slave laborers after a U.S. court postponed a decision on whether to hear a class-action lawsuit against several German banks.

Payments to the laborers were contingent on no further legal action being taken against German banks and industry on Holocaust-era issues.

New hate crimes unit in L.A.

The Los Angeles County Sheriff's department formed a special unit to investigate and combat hate crimes. The new unit will coordinate information on hate crimes throughout the county.

Queen to miss Shoah ceremony

Britain's Queen Elizabeth II will not attend the nation's first Holocaust Memorial Day on Saturday. Buckingham Palace said Thursday the queen's schedule was planned months in advance and she would not interrupt an extended Christmas break. Prince Charles, her son and heir to the throne, will attend a commemorative ceremony, the palace said.

Professors claim discrimination

Four Jewish professors are claiming they were subjected to religious discrimination while employed at Life University, a chiropractic school in Marietta, Ga.

The Atlanta Jewish Times reported that, in a lawsuit filed Dec. 19 but not made public until last week, the four professors charged they were unfairly terminated or demoted and the decisions were approved by Sid Williams, the university's president and founder.

According to the lawsuit, Williams also repeatedly called Jewish faculty members "New York Jews," and during an assembly in front of the student body and faculty he referred to various Jewish faculty members as "all these Jews."

Course to focus on Nazi 'law'

A course on "Law and the Holocaust" will be taught this semester at the University of Pennsylvania. The course will examine how the Nazis manipulated the law to dehumanize and attempt to eliminate classes of people, and how the international community tried to use law to punish alleged war criminals.

JERUSALEM (JTA) — The Jewish National Fund-Keren Kayemeth LeIsrael did not deliberately uproot trees planted by tourists in Jerusalem, according to a retired judge who looked into the controversy.

An examination was conducted by retired Judge Arie Segalson, who was appointed by the JNF-KKL in July to review the "Plant a Tree With Your Own Hands" program after an article in the Israeli media claimed the organization was pulling up saplings planted by tourists and having others plant more trees in the same place.

The five-month examination did find forestry guidelines were not followed at the Ein Kerem planting area cited in the article, but did not substantiate the allegations. The examination found saplings were improperly cared for and uprooted without their superiors' knowledge.

But the examination cleared the organization of deliberately uprooting trees, as suggested in the articles that appeared last June in the Israeli daily Ma'ariv and its Jerusalem weekly, Kol Hazman.

"We never denied there were aberrations at the site, but the examination determined specifically it was an isolated lapse," said JNF-KKL World Chairman Yehiel Leket. "The point is that there was no policy to pull up the trees planted by tourists to let others put different trees in their place. There was no deception."

Some 80,000 trees are planted annually through the plant-a-tree program. Though the project is not one of the organization's central activities, it plays a significant role in fostering a good public image.

Leket said it's difficult to tell whether the controversy has had an impact on the plant-a-tree program.

In his examination, Segalson studied all aspects of the JNF-KKL tree center operations. According to a statement released by the JNF in New York, the retired judge interviewed 18 JNF-KKL employees. He visited the five other tree-planting centers outside Jerusalem, where no irregularities were found.

According to the statement, Segalson noted that workers were diligent in their care for the saplings both before and after their planting.

Regarding the Ein Kerem tree-planting center, Segalson concluded that at no time did a worker uproot a tree in the manner described in the articles, which suggested saplings were pulled up shortly after their being planted.

However, the examination said the workers at the center did not follow appropriate forestry practices of watering, planting and maintenance, which prevented the saplings from taking root.

The saplings were then removed without the supervisors' approval. The examination blamed a lack of strong supervision at the center for the problem.

The inquiry also criticized the reporter who wrote the article in Kol Hazman. Segalson said the "facts as described in the article by the reporter were baseless, distorted and do not reflect reality."

A police complaint was lodged against the reporter.

Avi Zilberberg, editor of Kol Hazman, said the paper stood by the story.

"We stand behind all of our research and what was published," he said. Zilberberg added that the paper was never contacted regarding the original photographs that were taken at the site.

"It seems very strange to me that they conducted an examination without contacting us or asking for the materials we have. I have dozens of pictures which prove what was published," Zilberberg said.

Following submission of Segalson's report, the JNF-KKL executive decided to adopt its recommendations. They include removing all tree-planting responsibility from former managers of the plant-a-tree project.

A decision was also made to restructure management of the program.

Formerly overseen by the department responsible for raising funds abroad, it will be moved to the Department of Forestry, responsible for planting more than 2.5 million trees a year. □

Israeli consul general in Atlanta may be recalled over Iraqi friend

By Jacob Schreiber
Atlanta Jewish Times

ATLANTA (JTA) — The Israeli consul general for the Southeast region of the United States will likely be recalled for allegedly allowing an Iraqi friend to live with him.

While no decision has been announced yet, Israeli diplomats close to the situation said they expect Jacob Rosen to be “removed gently” from his Atlanta-based post sometime this summer.

During the past few weeks, Rosen had been under investigation for allegedly allowing Hisham Bahalul, 29, an Iraqi friend he met during his six-year posting in Jordan, to live with him and his family “for months” in the official residence of the consul general in Atlanta.

According to sources in the Israeli Foreign Ministry, Bahalul, who for years has been an art teacher to Jacob’s wife, Annette, was also given use of the consul general’s car.

Both are violations of Israeli consular codes.

Because the Jewish state is technically at war with Iraq, Israeli government officials are forbidden to have personal relationships with Iraqi nationals, though they are allowed to have official contacts under certain circumstances.

While no suggestion has been made that classified information fell into the wrong hands, ministry sources said a full investigation has not yet been concluded.

Last week, the Israeli daily Yediot Achronot also suggested that investigators were also looking into a possible “romantic” relationship between Bahalul and Annette Rosen.

In a Jan. 16 interview with the Atlanta Jewish Times, Jacob Rosen, a 52-year-old career diplomat, who was posted in Atlanta last August, scoffed at what he called “rumors.”

“I’ve been in Arab countries for years,” Rosen said. “What do you expect, that I don’t have Arab friends? I’ve been a civil servant for 27 years. What am I, crazy enough to do something wrong?”

He faulted the Israeli media for disclosing the matter, saying, “It’s a shame some bad guy had to write this — after my wife just had cancer. I’m not a private man, but a public figure. So if someone wants to write about me, it’s their right. But let the investigation be done and you’ll see then.”

Rosen has maintained a fairly low profile since coming to Atlanta, appearing at some official and Jewish community events. He has not been visible in the media during the recent months of Israeli-Palestinian violence, drawing criticism from a number of Jewish community leaders.

Also, some of Rosen’s remarks at community meetings, particularly what some saw as his promotion of Arab culture and dismissive comments about his own government, disturbed some listeners.

The Israeli press has reported suspicions that two, and perhaps three, Iraqi men lived with the Rosens at various times. Apparently, the Iraqis were refugees who fled to Jordan during the Gulf War, and the Rosens befriended them during their previous posting in Jordan.

Last year, the Iraqis gained entry into the United States as political refugees and moved to Nashville, Tenn., according to Jacob Rosen.

At about the same time Rosen’s wife moved to Atlanta to

complete her treatments for breast cancer and to set up house, at least one of the Iraqis, Bahalul, came to stay with her.

The Rosens never tried to conceal their associations with the Iraqis.

According to community sources, Bahalul would greet visitors to the Rosen home, where Rosen commonly introduced him as a “friend.”

In November, the Iraqi was being driven in the consular vehicle when it was in an accident. According to diplomatic sources, Bahalul was being temporarily moved out of the residence to make room for Rosen’s eldest son, who was on leave from the Israeli army.

Israeli security officials in the United States were said to have been aware of the Rosens’ relationship with the Iraqis but opted against a formal investigation until the car accident forced them to report the allegations to Foreign Ministry officials in Jerusalem.

Kenneth Stein, a professor of Middle East studies at Emory University and a friend of the Rosen family, said he does not understand why this is such a big deal.

“Jacob Rosen is in the business of making contacts with the Arab world,” he said.

“He was a key figure in keeping the Jordanian-Israeli relationship together when he was in Amman, and at that time he created an impressive network within the Arab world. It’s only natural that he remains friends with some of them.”

According to community leaders and Israeli journalists, it wasn’t just the Iraqi relationships that sent up red flags. It was also discomfort with the Jordanian and Iraqi art that dominates the decor of the consul general’s residence and the lectures Rosen recently presented to Jewish audiences espousing the “virtues” and “genius” of Arab culture.

“With a diplomat, appearances are everything,” said one Jewish leader. “We don’t expect to get much substance out of them, but as a representative of the State of Israel, you have to know how to project the right image. Didn’t Jacob realize that the art, the friends, some of his statements, was inappropriate for a consul general of Israel?”

Such misgivings led some Jewish insiders to lodge independent complaints about Rosen with the Israeli Foreign Office.

“At a time when the Jewish community is feeling vulnerable and confused about what’s going on in Israel, the consul general’s job is to reassure us, explain to us what is happening and let us know what to do,” said a community member who was at a recent Rosen talk.

“But instead of making us feel good, it was like we should try to better understand the Arabs.

“What was the message?” asked the leader, speaking on the condition that he not be identified. “That we should bow to their wisdom and retreat? It was so unclear.”

In another instance, Rosen addressed a gathering of non-Jewish civic, business and political leaders who had all been to Israel. They had just finished expressing their love, admiration and support for the Jewish state, and asked Rosen to share his views on the peace process.

“I can’t really tell you what’s happening because every minute it seems I have a different government or no government at all,” Rosen remarked.

“It looks like we Israelis are getting to be like the Italians,” he said, “and are getting good at operating our country without a government.” □