



# Daily News Bulletin

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84th Year

## TOP NEWS IN BRIEF

### A top exec leaves UJC

The No. 2 executive at the United Jewish Communities officially left her post Wednesday, 13 months after coming on board as the federation umbrella group's chief operating officer.

After weeks of protracted negotiations over the details of her departure, UJC announced officially that Louise Stoll would maintain a "consulting relationship" with the organization.

But it is not clear exactly what role Stoll will play after she moves to Washington, where UJC said she plans to "pursue other professional interests."

### Paper cites progress at Taba

Israel and the Palestinians agreed to delay a decision regarding Jerusalem's Temple Mount for five years, according to the Israeli daily Ma'ariv.

The paper, which on Wednesday published purported details of the recently concluded talks in Taba, Egypt, said negotiators also had agreed to allow an Israeli military presence in the Jordan Valley for six years and to build a Palestinian city in the Negev Desert.

Israeli negotiator Gilead Sher, a top aide to the prime minister, confirmed some of the information in the Ma'ariv report, but added that some of the proposals had been raised and later dropped. [Page 3]

### IDF predicts increased violence

The Israel Defense Force is predicting a sharp rise in Palestinian violence in the near future.

"There are now no diplomatic negotiations, so the Palestinians have no incentives to foil terrorist attacks," the IDF chief of staff, Lt. Gen. Shaul Mofaz, told soldiers Tuesday. "This is a recipe for escalation."

### Germany to delay slave payments

The German Parliament is likely to delay a vote giving final approval to compensating Nazi-era slave laborers, according to a government spokeswoman.

Wednesday's announcement came after a U.S. judge on Monday delayed a decision on whether to dismiss class-action suits filed by Holocaust survivors until she receives more information about how the new slave labor fund will be handled.

The German government and industry agreed to pay some \$5.2 billion to the laborers, provided there are no more lawsuits relating to the Nazi era.

## ISRAEL VOTES

### Looking to the morning after, Barak considers unity coalition

By David Landau

JERUSALEM (JTA) — With Ariel Sharon's victory in Israel's election next week considered a foregone conclusion, political observers are focusing instead on what will happen the morning after the vote.

Leftist political forces are resigned to the defeat of incumbent Prime Minister Ehud Barak and are debating two issues — whether to join a unity government under Sharon and whether to dump Barak as Labor Party leader.

And on the far right, there are suspicions that a victorious Sharon would ditch the hard-liners in favor of a union with Labor.

Underlying these speculations is the consensus view that, however wide his margin of victory may be, Sharon will find it hard to cobble together a sustainable rightist-religious coalition — just as Barak found it hard to sustain a coalition of the left and center when his government fell apart in July.

The Knesset arithmetic shows that even if religious and immigrant parties join his coalition, Sharon will have a minority of the 120-member Knesset behind him.

He will need the support of Center Party members Dan Meridor and Roni Milo, and brothers David and Maxim Levy — still nominally members of Barak's One Israel bloc — in order to create a working majority.

All four are one-time Likudniks who left the party to support Barak in the May 1999 election.

Even if Sharon does form such a coalition, keeping it stable and satisfied could consume most of his energy.

Most pundits predict that without a unity government, another round of elections is almost inevitable this year.

In new elections, they say, former Prime Minister Benjamin Netanyahu almost certainly would mount a challenge, and would be hard to defeat.

This explains Sharon's interest in the unity scenario — and Barak's as well, his protestations notwithstanding.

In addition, the pundits point to Sharon's need to present a relatively moderate face to the world. This goal would be aided enormously by having prominent Laborites at his side.

Sharon himself speaks as though a unity government is in the bag.

He says he will approach Barak the moment the exit polls are announced, at 10 p.m. on Tuesday night.

Even if Labor balks, Sharon has pledged to establish a narrow government and leave key portfolios open so that Barak and his party can join at a later date.

Plainly, the talk of unity is designed to appeal to the many centrist voters who, though disillusioned with Barak, are still a little wary of Sharon, given the former general's hawkish image.

The Likud's own unpublished polls indicate that the unity card is the strongest in their candidate's hand, and his strategic advisers are urging him to lay it down.

To counter this strategy, some in the Barak camp have urged their man to make it clear that he is not prepared to enter a unity government under Sharon.

They argue that as long as people believe the Likud line — that unity is the likely or even inevitable outcome of the election — they will vote for Sharon, believing he will have Barak beside him at the Cabinet table.

Barak's strategists argue that if Barak can convince voters he won't join Sharon,

## MIDEAST FOCUS

### Islamic officials: Destroy Israel

Delegates to a pan-Islamic conference called for the destruction of the Jewish state.

At the conclusion of the three-day meeting in Beirut, the 400 delegates from some 40 Arab and Muslim nations also said in a communique issued Wednesday that a holy war against Israel was the "only decisive option to regain Arab land and sovereignty over all of Jerusalem."

### Israel: Foreign investments up

The outbreak of Palestinian violence four months ago did not harm foreign investment in Israel, according to the Bank of Israel.

The bank said Wednesday that foreign investment totaled \$11.4 billion in 2000, an increase of \$2.4 billion over the previous year.

### E.U. to Israel: End blockade

The European Union urged Israel to lift its economic blockade of the Palestinian Authority. The closures Israel imposed as a response to the ongoing Palestinian violence are "having a devastating effect on the Palestinian economy and, as night follows day, on political stability," the European commissioner for external affairs, Chris Patten, told the European Parliament on Wednesday.

In another development, a group of deputies in the European Parliament launched a campaign to bring Israel into the European Union. The seven deputies, known as the "radical group," said Tuesday the Jewish state could not assure its people's freedom and security without help from the European Union.

### Israelis found in India

Israel tracked down two Israeli travelers who had been missing since last Friday's devastating earthquake in India. The two were located unharmed at a meditation workshop south of the city of Bhuj, near the epicenter of the quake.



## Daily News Bulletin

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they may end up supporting Barak, albeit reluctantly. A leading proponent of this strategy is Yossi Sarid, leader of the liberal Meretz Party and Barak's closest political ally at the moment.

This week he publicly challenged Barak to reject the unity scenario.

Barak issued a statement saying he would never serve in an "Aswan-Tehran" government. This was a reference to threats voiced earlier by Avigdor Lieberman of the far-right to bomb Egypt's Aswan Dam and Tehran, the Iranian capital, in response to violence.

However, Barak's wording only heightened suspicions both in his own camp and among the opposition.

One interpretation is that while Labor would not sit in a government with the far right, it might sit with the more moderate Likud.

Clarifications later in the week went a bit further, but the feeling lingered that Barak and Sharon have an understanding, whether articulated or unspoken, that the election winner will invite the loser into a unity government.

Seasoned observers say Sharon and Barak may move fast to outflank Labor opponents of unity by offering a senior portfolio to the party's senior statesman, Shimon Peres.

The reasoning is that other peaceniks like Justice Minister Yossi Beilin or Knesset Speaker Avraham Burg could hardly call for a split in the party to protest the unity government if Peres, champion of the peacemakers, were there alongside Barak.

In addition, these observers note, perhaps the surest way for a defeated Barak to head off a move to oust him from Labor's helm would be to lead his people quickly into a unity government, with some top posts reserved for Labor officials.

Well-placed Likud sources say Sharon is ready to offer Labor six ministries, two deputy ministries and at least two chairmanships of Knesset committees.

Of course, the argument for joining the government would not be couched in terms of the power Labor would have.

Rather, Barak would argue that it is the responsible course in order to moderate the Likud-led government and to ensure, by Labor's presence in the inner sanctums, that Sharon does not embark on any rash military adventures.

Despite the cogency of this argument — and the attraction of keeping a slice of power — key Laborites are preparing to fight any move toward unity.

Beilin and legislator Uzi Baram likely will be in the forefront of the opponents. Interior Minister Haim Ramon probably will be there too, especially if confronting Barak on unity could become part of a broader effort to depose the defeated prime minister.

Ramon makes no secret of his desire to seek his party leadership if Barak loses the election.

But Ramon faces a problem: Burg, his close friend and ally, also fancies himself a leadership contender and prime ministerial hopeful, and both draw their support from the same dovish elements in the party.

They would destroy their chances if both ran against Barak.

Even before next week's election, talks already are under way between the two men and their close aides to work out a way of determining which of them would run against Barak in a Labor primary, insiders say.

Barak's aides cite the party constitution, which specifies that primaries must take place 14 months after a general election.

But political observers believe that if Barak loses badly, and does not quickly bring Labor into a unity government, the upheaval will come much sooner. □

## Call-up letters a campaign ploy

JERUSALEM (JTA) — Some 250,000 Israelis got a jolt this week when they opened letters that came in the mail announcing an emergency military call-up.

The letters, sent in army-issue brown envelopes by army reservists opposed to Likud leader Ariel Sharon's bid to become prime minister, reassured the recipients this was not a real call-up.

But they said a real call-up notice would soon arrive if Sharon becomes prime minister. □

## JEWISH WORLD

### Details emerge from Taba talks as leaders haggle over a summit

By Naomi Segal

JERUSALEM (JTA) — Israel and the Palestinians have agreed to delay a decision regarding Jerusalem's Temple Mount for five years, according to the Israeli daily Ma'ariv.

The paper on Wednesday published purported details of what was achieved during a week of peace talks at the Egyptian Red Sea resort of Taba. The talks ended without agreement Saturday night, but with optimistic words from both sides that a final deal was in sight.

Citing a senior Israeli political source, the paper said negotiators also had agreed on several other issues:

- Allowing an Israeli military presence in the Jordan Valley for six years;
- Building a Palestinian city in the Negev; and
- Allowing Palestinian refugees the right to return to a future Palestinian state, not to Israel.

Israeli negotiator Gilead Sher, a top aide to the prime minister, confirmed some of the information in the Ma'ariv report, but added that some of the proposals had been raised and later dropped.

Meanwhile, Palestinian officials denied that they had agreed to delay a decision regarding the Temple Mount, or that they had agreed to temper their demands for the refugees' right of return.

According to The Associated Press, Palestinian officials said Israeli negotiators had proposed transferring control of the Temple Mount to Islamic countries for a five-year trial period.

According to one report, if no agreement on the future disposition of the Temple Mount were reached during those five years, control would be given to the Palestinian Authority in line with proposals made by President Clinton.

The Ma'ariv report said the purpose of the Taba talks was to bring the two sides close enough to an agreement so that Barak and Palestinian Authority President Yasser Arafat could make a public declaration of a final accord at a future summit meeting.

Barak this week announced a suspension of political contacts with the Palestinians until after Israel's Feb. 6 election for prime minister.

But Israeli media reported that the situation changed after the Palestinian leader sounded a somewhat conciliatory note during an interview Monday night on Israeli television.

"We are looking to achieve real peace between the two peoples," said Arafat, who only a day earlier had launched a blistering attack on Israel at an international economic forum in Davos, Switzerland.

Arafat also asserted at Davos that Israel uses weapons against the Palestinians that contain depleted uranium, a charge he repeated during the interview with Israeli television.

The Israel Defense Force strongly denied the charge.

But a Palestinian Authority Cabinet minister called on Tuesday for an international commission to investigate.

After much back-and-forth, Israeli officials said Tuesday that efforts indeed were under way to arrange a Barak-Arafat summit before the election, possibly over the weekend in Egypt.

A day later, however, Palestinian officials denied that such efforts were taking place. □

### Hackers attack Sharon Web site

JERUSALEM (JTA) — Hackers have removed Likud leader Ariel Sharon's Web site from the Internet and replaced it with a site critical of the candidate for Israeli prime minister, according to Israel Radio.

The hijacked site also included slogans praising the Palestinians and Hezbollah, the report said. □

#### Jewish leader blasts Austria

The leader of Austria's Jewish community accused Austria of trying to hold on to some property stolen from Jews by the Nazis.

Speaking Wednesday, hours before the Austrian Parliament was expected to approve a compensation deal for Holocaust survivors reached earlier this month in Washington, Ariel Muzicant said Austria's attitude in wanting to keep unclaimed looted property smacked of anti-Semitism.

#### Canadians rally for Jerusalem

An estimated 2,000 people attended a rally in Toronto to support continued Israeli control over a united Jerusalem.

The keynote speaker at Tuesday's event, Israeli legislator Natan Sharansky, said it was unthinkable that any Israeli government would consider surrendering sovereignty over any part of Jerusalem.

#### Attacks on British Jews rise

Attacks on British Jews in 2000 increased by 50 percent over the year before, according to a report issued this week.

The Community Security Trust, which monitors anti-Semitic incidents in Britain, recorded 405 such incidents in 2000, up from 270 in 1999.

#### Auschwitz history compiled

Researchers in Poland compiled a history of the Auschwitz death camp. Just issued in English, "Auschwitz 1940-1945" makes use of German documents newly available from Russian archives and more than half a century of Auschwitz studies. The 1,800-page study includes construction plans for the gas chambers and crematoria, prisoner lists and first-hand accounts.

#### HIAS helped 6,500 refugees

The Hebrew Immigrant Aid Society said it helped 6,490 refugees relocate to the United States last year.

Most of the refugees came from the former Soviet Union, the New York-based group said Wednesday.

#### Gov. sorry for breakfast debacle

Kentucky Gov. Paul Patton apologized to Catholic and Jewish leaders who complained they were not invited to his annual interfaith prayer breakfast.

"We don't send out personal invitations to this event because we don't want to exclude anyone," Patton said Wednesday. "If anyone feels excluded, I offer my personal apology." The Kentucky Council of Churches, the state's largest church organization, complained that Wednesday's event showed insensitivity to many faiths. A group spokesman said the breakfast included pork sausage, which is not eaten by observant Jews and Muslims.

BEHIND THE HEADLINES**Pardon of Jewish philanthropist raises issues about donation ethics***By Julie Wiener*

NEW YORK (JTA) — Exactly two weeks before a controversial last-minute presidential pardon made him a household name in the United States, Marc Rich was sitting in the VIP section at a mega-event for Birthright Israel in Jerusalem.

Surrounded by thousands of young, primarily North American Jews on free trips to Israel, Rich, one of 14 people who have pledged \$5 million to the program, was apparently moved to tears.

"He loves Israel, you could see that he was so turned on being there," said one Birthright official who sat near him at the event.

Rich, a commodities trader who fled the United States during an investigation that led to a 1983 indictment on 51 counts of tax evasion, racketeering and violating sanctions against trade with Iran, was one of 140 people pardoned by President Clinton on Jan. 20. Rich, accused of evading \$48 million in taxes, will now be able to return to the United States without fear of criminal charges.

His lawyers have argued that he was the victim of overly zealous prosecutors, but many critics believe his pardon is linked to the fact that his ex-wife is a major Democratic fund raiser.

In addition to raising questions about Clinton's judgment, the case puts an uncomfortable spotlight on the many Jewish and Israeli causes, like Birthright Israel, that Rich supported.

Indeed, a recent New York Times article noted that the list of people who wrote letters supporting Rich's pardon is "a virtual Who's Who of Israeli society and Jewish philanthropy."

Rich has given to a variety of major institutions in Israel, including Shaare Zedek Medical Center, Ben-Gurion University, the Israel Museum and the Jerusalem Foundation.

Rich also helped to bring dozens of Jews from Ethiopia and Yemen to Israel, Avner Azoulay, a former Mossad agent who runs Rich's foundation in Israel, told Israeli media.

Efforts to reach Rich and Azoulay were unsuccessful.

The executive director of one Israeli non-profit said that despite its extensive giving, the Rich Foundation is "not very public" in Israel and that until recently there was not a lot of awareness about Rich's legal status in the United States.

The case also revives questions about the dilemma Jewish institutions find themselves in when faced with donors of questionable reputation. Despite some related texts in the Talmud and Bible, ethics in fund raising is an issue around which there is little consensus in the Jewish world.

In the Rich case, no beneficiaries appear to be reconsidering Rich's support. Rich's best-known beneficiary among American Jews is Birthright Israel, which has sent approximately 17,000 young Jews on free trips to Israel since last year. The program has been praised for sparking Jewish interest among unaffiliated Jews.

Asked whether Birthright would ever decline money from a person deemed unethical or criminal, Shimshon Shoshani, Birthright's chief executive, said, "Of course there are some cases, but in this case it was no case."

"If municipalities in Israel accept money from Marc Rich and other organizations accept money from his foundation, I don't see any reason why Birthright Israel International will not accept money from his foundation," Shoshani said. "If somebody sees any reason, they should tell me."

Rabbi Mordechai Liebling, director of a project that aims, among other things, to persuade "Jewish institutions to examine Jewish values in accepting money" does see a reason.

Liebling, who works for the Philadelphia-based Shefa Fund, describes Rich's prominence in Jewish philanthropy as a "serious problem" and says the Jewish community "needs to stand for values and ethical business practices."

"We are not helping" if Jews take money from someone accused of violating the law or exploiting people and "restore that person's good name without that person doing teshuvah," he said, using the Hebrew word for repentance.

Rabbi Tzvi Blanchard, director of organizational development at CLAL: The Jewish Center for Learning and Leadership, is disturbed that none of Rich's beneficiaries talked about whether he was a problematic donor until "it blew up as a public issue."

"The dangerous thing is not that people make moral mistakes, but that we don't talk about it," Blanchard said.

While Liebling and Blanchard decry the lack of attention given to the ethics of taking certain gifts, others say Jewish organizations frequently struggle with the issue.

In recent years, there have been several prominent cases in which ethical issues came to the fore. Among them:

- Ivan Boesky, an investment banker, was convicted in 1987 of insider trading and sentenced to three years in prison. Boesky was a board member of the Conservative movement's Jewish Theological Seminary and had endowed the library. Boesky resigned from the board and JTS removed his name from the library, but kept his donations.

- Michael Milken, who, with Boesky, was convicted of insider trading, is now a prominent funder of Los Angeles Jewish causes, including a large Jewish day high school that bears his name. Milken, who served several years in prison but has been released, was also considered for a presidential pardon by Clinton but did not get one.

"You want to give a person a chance to contribute to society. In Judaism there is a tradition of teshuvah — you don't want to say because you did something wrong therefore you can't return to our community and do good things," Blanchard said.

However, Blanchard said, accepting money is different from publicly honoring a donor.

Some argue that, outside of a few high-profile cases involving people accused of illegal activities, most situations where a donor's ethics or propriety are questioned are not clear-cut.

Several point to disputes over whether Jewish organizations should accept money from the tobacco industry, gambling or weapons sales. Complicating the picture is that many companies have holdings that include things like tobacco, while others have come under fire for what some see as exploitative labor practices.

It is also not clear how one should apply Jewish texts, said Rabbi Saul Berman, director of Edah, a modern Orthodox organization. The Talmud says one is not allowed to accept contributions from a prostitute when building the Temple because receiving such money "would be approval of the behavior through which the funds were earned," Berman said.

"A moral dilemma emerges about how far one should carry that particular model," said Berman.

"Is this specific to prostitution? All forms of criminal activity? Noncriminal activity? Just the Temple or all institutions? Only when an institution is a teaching institution? Is it different when an institution simply supports the poor?" □