



# Daily News Bulletin

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84th Year

## TOP NEWS IN BRIEF

### Peres offered Defense Ministry

Israeli Cabinet minister Shimon Peres was offered the position of defense minister in a proposed unity government. Prime Minister-elect Ariel Sharon turned to Peres on Wednesday after outgoing Premier Ehud Barak decided the night before to resign.

Observers said Barak's resignation from political life could ease Labor's entry into a unity government.

At least two other Labor politicians, Communications Minister Benjamin Ben-Eliezer and Deputy Defense Minister Ephraim Sneh, have said they want the defense minister's job under Sharon. [Page 1]

### U.S. studies Israeli weapons use

The U.S. State Department is investigating whether Israel is using U.S. weapons in attacks against Palestinians.

A review of Israeli weapons use has been in progress for several years, a State Department official told JTA.

Under the terms of the U.S. Arms Control Act, U.S.-supplied weapons may be used for a limited number of purposes, including self-defense. [Page 4]

### Report: Rich gave to Olmert

Fugitive financier Marc Rich reportedly contributed some \$17,000 to the 1993 election campaign of Jerusalem Mayor Ehud Olmert, the Israeli daily Ha'aretz reported.

Rich's representatives in Israel have denied that he or his foundation made contributions to political figures or parties in Israel.

The paper quoted Olmert's office as saying that the mayor did not review a list of contributors to his campaign when he recommended that President Clinton pardon Rich, but believed the philanthropist's long-standing contribution to the city justified the recommendation.

### Federation helps Falash Mura

The UJA-Federation of New York made a \$250,000 grant to help feed the thousands of Falash Mura in Ethiopia awaiting decisions on their aliyah applications.

The federation's first food distribution took place in December, and the group plans another at the end of this month to the Falash Mura, Ethiopians whose ancestors converted from Judaism to Christianity.

## NEWS ANALYSIS

### Ehud Barak resigns — again — while Labor still debates unity

By David Landau

JERUSALEM (JTA) — Israeli Prime Minister Ehud Barak's second resignation appears to be his final zigzag — at least for the foreseeable future.

Two weeks after his whopping electoral defeat at the hands of Likud leader Ariel Sharon, Barak, the Labor Party's leader, reversed his reversal of his election night resignation by informing Sharon that he would not serve as defense minister in a unity government but would indeed resign.

Political observers say the move could ease Labor's way into a unity government under Sharon, though the party will now enter a hectic period as it prepares to elect a new leader.

Several important Labor figures who support a unity government had threatened to vote against the move if Barak was involved.

On Wednesday, Sharon pressed ahead with his efforts to form a unity government.

"If the Labor Party decides it has different candidates for the same posts offered it, then there are no problems," Likud Knesset member Reuven Rivlin told Israel Army Radio. "The Likud is not talking about people but about the idea and the issue, and the issue is unity."

Sharon on Wednesday offered the Defense Ministry to former Prime Minister Shimon Peres, according to Israeli media. A Labor dove, Peres had been considered a lock for foreign minister if Barak took the defense portfolio.

Peres neither accepted the offer nor rejected it out of hand, Army Radio reported.

Labor officials criticized Sharon for approaching Peres, calling it meddling in party affairs. At the same time, Labor Party Secretary-General Ra'anan Cohen suggested that Sharon give the party the finance portfolio instead of defense.

As part of the coalition negotiations, Sharon offered Labor two out of the three senior portfolios — foreign affairs, finance and defense — and five smaller portfolios.

At least two leading Labor politicians with extensive military backgrounds — Communications Minister Benjamin Ben-Eliezer, Deputy Defense Minister Ephraim Sneh — said they covet the defense post.

In a bitter letter Tuesday night, Barak accused Sharon of failing to live up to his own pledge that the two would collaborate in a unity government in a spirit of mutual trust. That spirit had been shattered, Barak said, because Sharon had made clear that he expected to decide policy autocratically and keep Labor out of core decision making.

Barak referred obliquely to Sharon's determination to bring far-right politicians into his government, in defiance of Barak's demand that these groups be kept out if Labor joins.

However, political observers say the main reason Barak decided to quit was the mounting wave of revulsion — in Labor and the country at large — after he backtracked from his election-night resignation.

During his term, Barak was accused of constant policy shifts that undermined his credibility.

Just days after announcing his resignation on Feb. 6, Barak insisted on running Labor's unity negotiations with Likud. It soon emerged that Barak intended to lead Labor into the unity government and take the No. 2 spot of defense minister.

Barak argued that the move was mandated by the national interest, even though his own personal and political interests would be better served by retiring from political life for now. Open rebellion soon erupted in Labor. Major party figures spoke out publicly

## MIDEAST FOCUS

### Israel denies 'gas bomb' charge

The Palestinian Authority complained to the United States that Israeli forces used U.S.-made "gas bombs" against Palestinian civilians in the Khan Yunis refugee camp in the Gaza Strip.

Speaking after meeting Tuesday with U.S. Secretary of State Colin Powell, Palestinian official Nabil Sha'ath said U.S. officials had requested more information about the types of gas Israeli forces allegedly used. Hospital officials said last week that 69 people in the Khan Yunis camp were overcome by a type of gas that causes hysteria.

The Israeli army said it had not used any type of gas during a recent gun battle at Khan Yunis, but that soldiers set off smoke bombs to cover their positions during the fighting.

### Amnesty criticizes Israel

Amnesty International condemned Israel for assassinating Palestinians suspected of attacking Israelis and for using excessive force during the ongoing conflict. The London-based human rights group said Wednesday that its delegates found during a recent visit to the area that Israel had killed some people who could have been arrested instead.

### Har-Shefi loses appeal

Israel's High Court of Justice unanimously rejected an appeal from Margalit Har-Shefi of her conviction for the role she played in the 1995 assassination of Prime Minister Yitzhak Rabin. Har-Shefi next month will begin serving the nine-month sentence she received for failing to stop Yigal Amir's plot to assassinate Rabin, despite knowing of the plot.

### PNC chair: Raze the Knesset

The chairman of the Palestine National Council charged that the Knesset sits on Palestinian land and should be razed to make way for the Palestinian Parliament, according to the Jerusalem Post.

for now. Open rebellion soon erupted in Labor. Major party figures spoke out against Barak's "zigzagging."

Foreign Minister Shlomo Ben-Ami wrote to Barak and accused him of unethical behavior that prejudiced the fundamental morality of the Israeli political process.

Haifa Mayor Amram Mitzna, one of Barak's closest friends in politics, wrote him an open letter demanding that he immediately implement his resignation.

An influential liberal, political scientist Shlomo Avineri of the Hebrew University, went on television to add his voice to the growing chorus of Barak critics.

Significantly, the critics came from both the pro- and anti-unity camps within Labor.

Knesset Speaker Avraham Burg, who favors the unity option, urged Barak to step down.

Interior Minister Haim Ramon, who also favors unity, went to Sharon's ranch in the Negev to state that he would only join a unity government if it didn't include Barak.

In a second letter Tuesday night sent to Secretary-General Cohen, Barak announced his resignation as party leader and lashed out at his Labor critics.

Ramon, who had been one of Barak's closest allies, blasted the premier on Wednesday for his ungainly exit, describing Barak's letter to the party as "a profane crank letter" characteristic of "a low-level political hack."

Senior Labor Party officials were meeting Wednesday night to discuss the implications of Barak's decision and come up with an initial list of candidates for cabinet posts should a unity government be formed. The list will be presented to the party's Central Committee.

The committee had been slated to meet this week but Barak postponed the session, realizing that it was shaping up as an impeachment against him.

Barak began working the phones furiously, speaking with individual committee members and explaining to them why the country needed him as defense minister in these troubled times. Barak also met with groups of committee members to make the same pitch.

"If only he had talked to us like this when he was premier, perhaps he would still be premier," one member noted wryly on television, alluding to what many have described as Barak's perfunctory and high-handed attitude to party activists during his tenure.

On Tuesday, the beleaguered Barak closeted himself with his closest political advisers, and by late evening it was clear a resignation was in the works. The letter to Sharon was released close to midnight, and a resignation from the Labor leadership followed soon after. In his letter to Sharon, Barak wrote that he still favors the unity option in principle, provided that a way can be found to collaborate in making policy. Labor's Central Committee is likely to endorse the party's entry into a unity government if acceptable terms can be negotiated.

However, Labor Knesset member Weizman Shiri pledged Wednesday that he and other Barak loyalists would do all they could to foil a unity government or, failing that, to prevent party members who felled Barak from serving as ministers.

In addition, key figures in Labor's dovish wing, including Justice Minister Yossi Beilin and Ben-Ami, are opposed to a unity government. They argue that Labor would serve as little more than a fig leaf for Sharon's allegedly anti-peace policies.

Labor's participation in the government, they say, would blur the distinction between the two large parties and weaken Labor's ability to make its case to the voters in the next election.

They further argue that leftist voters would abandon Labor for the more dovish Meretz Party, which has declined Sharon's invitation to join a unity government.

As to the leadership battle, Burg and Ben-Eliezer have already declared, while Ramon and Ben-Ami are weighing their prospects.

Media commentary generally viewed Barak's resignation as long overdue. Ma'ariv newspaper commentator Chemi Shalev said that with his decision to resign, Barak had saved a shred of his dignity.

Barak's long-term future remains unclear. Other Israeli politicians who have resigned in disgrace — such as former Prime Minister Benjamin Netanyahu or even Sharon himself — have found that the public soon forgets their failings, and clamors to have them back.

(JTA correspondent Naomi Segal in Jerusalem contributed to this report.)



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## JEWISH WORLD

### 'In God We Trust' bill defeated

A proposal to require all public schools in Virginia to post the motto "In God We Trust" was defeated by a state Senate committee this week.

Opponents of the proposal said it might not be constitutional, and might force teachers into endorsing religion. The bill's sponsor vowed to revive the measure next year.

### New ruling on Chasidic school

A judge's decision may pave the way for a Chasidic community in upstate New York to continue operating a special school for its disabled students.

Last week's ruling says a 1999 law that allows a New York municipality with at least 10,000 residents to petition for its own school district applies to Kiryas Joel.

Several courts have ruled during the past decade that the Satmar community's public school for its disabled children violates the constitutional separation between religion and state.

### Ukraine militia law criticized

A new Ukrainian law that allows for the creation of volunteer militias to help authorities fight crime could pave the way for extremist violence, according to the Union of Councils for Soviet Jews and other human rights groups.

Several ultranationalist groups have already applied to form the militias.

### Kalejs sues Australian minister

An Australian citizen who faces extradition for alleged Nazi-era war crimes sued the minister who allowed the extradition request to come before an Australian court. Konrad Kalejs is not only challenging the procedure but also claims to be in ill health and unfit to defend himself.

### Russian cult members arrested

Six Russian teen-agers believed to belong to an anti-Semitic satanic cult were arrested on charges of vandalizing Jewish gravestones.

The teens are accused of vandalizing 75 headstones at a Jewish cemetery in the city of Samara and smearing them with Satanic messages.

### Australian paper apologizes

An Australian financial newspaper apologized to the Jewish community for publishing a drawing of a yellow star with the word "Jude" emblazoned on it. The drawing illustrated an article criticizing Israelis for recently electing Ariel Sharon as prime minister. The Australian Financial Review apologized after getting complaints that the illustration was offensive.

## With emotions raw, Israelis follow inquiry into October killings

By Naomi Segal

JERUSALEM (JTA) — A commission examining the killings of 13 Israeli Arabs by police during riots last October is exposing the unhealed wounds between Arab and Jew in Israel.

During the first day of proceedings Monday, the father of one victim lunged at a border police officer suspected of shooting the youth.

The victim's mother fainted — and the officer, among four called to testify Monday, was hustled out of the room.

The outburst caused the hearing to be suspended for over an hour and underscored the high emotional voltage in which the proceedings are being conducted.

The bereaved families demand that the commission mete out what they consider justice to those responsible for the deaths, though the Israeli Arab community is skeptical that the panel will do so.

This skepticism is born of long-held grievances among Israel's 1 million Arabs over discrimination they face in the Jewish state — in job opportunities, education and infrastructure development in towns and villages.

The October riots expressed these deeply felt frustrations. Yet they also were an expression of growing Israeli Arab solidarity with their Palestinian brethren across Israel's border.

What began as demonstrations of solidarity with the nascent Palestinian uprising quickly turned violent, as Israeli Arabs waved Palestinian flags, blocked main highways, attacked Jewish drivers, chanted "Slaughter the Jews" and set fire to banks and post offices, among other things.

The riots threatened to undermine the delicate fabric of Arab-Jewish coexistence in the Galilee.

While Arabs felt the police reaction showed that the state does not value Arab life, many Israeli Jews felt their Arab neighbors had been exposed as a fifth column.

Israeli Jews, too, are demanding justice from the commission — which, according to the daily Ma'ariv, would require the commission to "investigate and punish both the Arab" Knesset members "who incited the demonstrating public and the lawbreakers who blocked roads and burned petrol stations and stores."

The daily Yediot Achronot doubts that the commission will succeed.

"It is difficult to assume that the Arab public will accept their conclusions, whatever they are," the paper wrote.

"The commission will be unable to heal the human wound" between Jews and Arabs in Israel that "first opened up 50 years ago; it won't even be able to bandage it."

All sides agree that the police who confronted the rioters were greatly outnumbered, but Israeli Arab leaders say the police did not have to react with gunfire, even with rubber bullets.

With emotions raw, the Arab community rejected the government's initial plan to have an independent panel investigate the incidents, demanding instead a commission of inquiry.

Dr. Mahmoud Yazbek, a relative of one victim, said he views the work of the commission as a test of the entire Israeli legal system.

"We cannot ignore the fact that just now the Israeli legal system gave the ridiculous sentence of six months community service to a man responsible for the death" of a Palestinian youth who had been stoning his car, Yazbek said.

He also referred to the recent release from jail of Yoram Skolnik.

Skolnik is an Israeli who served only eight years of a life sentence for shooting a bound terror suspect.

"The life of an Arab is much cheaper than the life of a Jew," Yazbek charged.

The commission is headed by Supreme Court Justice Theodor Orr.

Its other members are Professor Shimon Shamir, a former ambassador to Egypt and Jordan; and the deputy president of the Nazareth district court, Jarrah Sahel, an Israeli Arab.

Families of the victims, bearing pictures of their loved ones, packed the courtroom in the Supreme Court building in Jerusalem for Monday's hearing. □

## 'Jewish week' for German officials shows growing interest in dialogue

By Ruth E. Gruber

BERLIN (JTA) — As German Defense Minister Rudolf Scharping put it, last week was something of a "Jewish week" for him.

He hosted a delegation from the Conference of Presidents of Major American Jewish Organizations, U.S. Jewry's main umbrella group. He met with a delegation from the American Jewish Committee's Board of Governors. And he took part in a "German-Jewish Dialogue" seminar sponsored by Germany's Bertelsmann Foundation.

More than half a century after the Holocaust, Jewish organizations are flocking to Germany to meet senior officials, discuss issues and demonstrate support for the country now viewed as Israel's staunchest ally in Europe.

In addition to the Conference of Presidents, at least half a dozen major Jewish organizations have already scheduled visits to Berlin this year.

These missions come in addition to visits by numerous individuals and representatives of academic institutions and other bodies.

"There is a growing willingness to recognize the vast strides made by Germany in facing its past, building a democratic society based on the rule of law, serving as an anchor of NATO, seeking to create a European Germany rather than a German Europe and reaching out to the Jewish world and Israel," David Harris, the AJCommittee's executive director, said in a speech in January at the University of the German Armed Forces.

The AJCommittee was the first U.S. Jewish group to make a permanent commitment to fostering relations with Germany and promoting the development of pluralism and democracy. It began sponsoring exchanges, seminars and other activities in Germany in the postwar decades, and in 1998 it opened an office in Berlin.

The high-level access accorded visiting Jewish groups is indicative of the "special relationship" between Germany and Israel that has developed during the past four decades as a cornerstone of German foreign policy, and of the importance Germany gives to its relationship with the Jewish world in light of its history.

Germany is Israel's biggest trading partner in Europe.

Germany also has undertaken several quiet diplomatic initiatives to support Israel, including behind-the-scenes efforts to help 10 Iranian Jews convicted last year for alleged espionage, and three Israeli soldiers seized in October by Hezbollah gunmen in Lebanon. Germany is also now close to ending unresolved issues of Holocaust-era compensation and restitution.

Last week, the Conference of Presidents delegation meet with Chancellor Gerhard Schroeder, Foreign Minister Joschka Fischer, Defense Minister Scharping and Berlin Mayor Eberhard Diepgen, as well as other senior political leaders from both the government and the opposition. All of them assured the group of Germany's commitment to maintaining its special relationship with Israel, fighting racism at home and working toward strengthening both European integration and strong links with the United States.

"There was a real dialogue with everyone we saw," said Malcolm Hoenlein, executive vice chairman of the Conference of Presidents. "We were reassured by everything we heard that our decision to visit Berlin was right."

Contacts with German officials are viewed by Jewish groups

as increasingly important, given the erosion of support for Israel in Europe, the United Nations and in other international bodies since the outbreak of Palestinian violence last fall.

There is also concern that Germany's support for Israel may be weakened as the European Union works to forge a common foreign policy and political agenda.

The media in most European countries has displayed what many believe is an anti-Israel bias, and there has been a wave of vandalism against synagogues, cemeteries and other Jewish sites that has been attributed to the violence in the Middle East.

In Germany, for example, there were more than 290 anti-Semitic crimes reported in the third quarter of 2000, about twice the number for the same period in 1999.

There is also concern about links between Muslim extremists and neo-Nazi groups in Europe. The new interest in Germany by international Jewish groups has prompted words of caution from local Jews and also on occasion prompted friction.

Germany has the only growing Jewish population in Europe, thanks to tens of thousands of immigrants from the former Soviet Union during the past decade.

There are an estimated 100,000 Jews now living in Germany. Many of the newcomers know little or nothing about Judaism and Jewish tradition, and the dramatic influx has led to social, educational and cultural problems. □

## State Dept. reviewing Israeli use of U.S. weapons in current crisis

By Matthew E. Berger

WASHINGTON (JTA) — The State Department is reviewing Israel's use of U.S. weapons in the ongoing violence with the Palestinians.

"It's an issue that has been raised at different times over the years," a State Department spokesman said Tuesday. "It's being taken very seriously, but it is a very complicated issue."

A review has been under way for years, but the issue has come to the fore recently because of the Israeli-Palestinian fighting that has now lasted for five months.

Groups that object to Israel's handling of the violent Palestinian uprising — such as Amnesty International and the Arab American Institute — have renewed their calls for a review, claiming that Israel's use of American-supplied weapons violates U.S. law.

Under the U.S. Arms Export Control Act, American weapons sold to other countries can be used only for internal security, self-defense, participation in regional efforts supported by international organizations, or public works projects.

"This law is honored more in breach than in observance," said the president of the Arab American Institute, James Zogby. "We believe, over the years, Israel has been consistently violating this."

Zogby has been urging State Department officials to actively review Israel's actions for months, and has been told each time that a review is ongoing.

State Department officials say they are concerned about Israel's use of heavy military equipment in highly populated areas and the targeted killings of Palestinian militants.

Israeli Embassy spokesman Mark Regev defended Israel's use of U.S. weapons in the ongoing violence.

"Israel is entitled to use weapons for purposes of self-defense, and counterterrorism is precisely that," Regev said. □