



Daily News Bulletin

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80th Year

TOP NEWS IN BRIEF

Sharon: Arafat starting to 'soften'

Israeli Prime Minister Ariel Sharon said he believes Palestinian Authority President Yasser Arafat is "beginning to soften" because of the tough Israeli response to Palestinian violence.

In an interview published Thursday by the Israeli daily *Yediot Achronot*, Sharon said "there is movement" in Arafat's position because he is beginning to understand that Israel will not return to negotiations as long as the violence continues.

Three contend for powerful post

Two Jewish officials have joined publisher Mortimer Zuckerman as the leading candidates for the chairmanship of the country's most powerful Jewish organization.

Howard Berkowitz, the past chairman of the Anti-Defamation League, and Leonard Cole, the chairman of the Jewish Council for Public Affairs, are expected to be considered by the Conference of Presidents of Major American Jewish Organizations' selection committee when it meets April 18.

Zuckerman, the publisher of *U.S. News & World Report* and the *New York Daily News*, is considered the front-runner for the position.

Violence persists after talks fail

Palestinian gunmen launched mortar bomb and anti-tank grenade attacks on Israeli settlements and army posts in the Gaza Strip, according to Israeli officials. One Palestinian was killed and three Israeli soldiers were wounded in Thursday's fighting.

The scattered violence took place after security officials from both sides, meeting the night before, failed to find ways to halt the fighting.

Report: U.S. blocks Lebanon aid

The United States is blocking \$20 million in aid to Lebanon to pressure Beirut to send troops to secure its border with Israel, according to the *Jerusalem Post*.

Since Israeli troops withdrew last May, Lebanon has left Hezbollah gunmen in effective control of the border region.

REMINDER: The JTA DAILY NEWS BULLETIN will not be published Monday, Monday, April 16.

BEHIND THE HEADLINES

Tax fight over West Bank goods only adds to Israel-Europe tension

By Jessica Steinberg

JERUSALEM (JTA) — When British-born Peter Wiseburgh established Soda Club Enterprises in 1991, he probably didn't expect to be part of a spat with the European Union over Israel's borders.

Wiseburgh's Israeli company wanted to export in-home carbonation systems that turn tap water into sparkling water. It chose to establish a production plant in a former munitions factory in the Mishor Adumim industrial zone, which is in the West Bank but is often considered part of greater Jerusalem.

"We were looking for a large factory, and this popped up and we took it," Wiseburgh said. "The Israeli government encouraged us to go there. Now they have to find some reasonable way to overcome what is a bureaucratic problem."

Despite the lack of an Israeli-Palestinian peace agreement, it was assumed in the early 1990s that West Bank products exported to the European Union would enjoy the tax-exempt status granted to other products from Israel under the Israel-E.U. free-trade agreement.

In 1997, however, as Europe adopted an increasingly hostile tone toward Benjamin Netanyahu's Likud government, the European Union effectively defined everything across the Green Line — Israel's border before the 1967 Six-Day War — as Palestinian land.

Feeding the E.U.'s decision was a boycott campaign led by left-wing Israeli activists against Israeli products made in the West Bank and Gaza Strip.

Taken together, the steps placed Soda Club, as well as dozens of other Israeli companies, at the center of a growing political storm.

Israel and the European Union agreed to a 10-month hiatus to settle the question of whether West Bank products would enjoy the tax-free status given Israel's other European exports. That period will expire at the end of May.

On May 21, a joint committee on the Israel-E.U. association will meet in Brussels to discuss, among other matters, whether to differentiate between goods prepared in Israel proper and those made by Israeli companies in the West Bank.

Most of the Israeli companies in question — whether they're growing flowers, developing Dead Sea beauty products or producing seltzer-making systems — set up shop in the West Bank for the cheap and plentiful real estate.

But E.U. officials see the moves as a ploy to get tax breaks for products made in occupied territory.

A decision to tax such exports could have serious economic consequences for Wiseburgh and other Israeli entrepreneurs in the West Bank and Gaza Strip.

More importantly, however, it would mark a further deterioration in Israel's relations with Europe at a time when the European Union is demanding a larger role in Israeli-Palestinian peace efforts. Israelis increasingly perceive the European Union as biased toward the Palestinians, who claim all of the West Bank for themselves.

The question is, will the 15 E.U. countries let politics interfere with business?

Possibly, but not definitely, said Victor Harel, deputy director general for economic affairs at the Israeli Foreign Ministry.

"Everything in terms of our relations with the E.U. is connected to what's happening on the ground," Harel said. "If the political situation remains the same, I don't think there's any major interest on either side to turn this into a political issue."

Nevertheless, the May meeting could be the opening battle in an E.U. attempt to

MIDEAST FOCUS

U.S. criticizes Shas leader

The United States joined those criticizing the spiritual leader of Israel's fervently Orthodox Shas Party, who was quoted as saying earlier this week that Arabs "must be shelled with missiles."

A U.S. State Department spokesman, Philip Reeker, said Wednesday he was unaware of Rabbi Ovadia Yosef's comments, but added, "We don't think remarks like that help the situation." Shas officials say Yosef was quoted out of context and that he was referring to Arab terrorists, not all Arabs.

In another development, The Associated Press reported that a Jordanian businessman took out an ad offering \$1.4 million to anyone who kills Yosef.

Israel accused of bomb plot

A Palestinian Cabinet minister charged that Israel tried to use a booby-trapped car to assassinate an activist of Palestinian Authority President Yasser Arafat's Fatah movement in the West Bank.

Palestinian officials said that after explosives were discovered in the car, it was taken to police headquarters in the West Bank city of Ramallah.

Minister blasts P.R. effort

Israel's public security minister lashed out at the nation's Foreign Ministry for failing to provide the world with a better image of Israeli actions during the ongoing conflict with the Palestinians. In an interview with Jerusalem Post Radio, Uzi Landau also criticized the portrayal of Palestinian Authority President Yasser Arafat as a "partner for peace."

Jordanian minister to meet Peres

Jordan's foreign minister plans to visit Israel on Monday for a meeting with his Israeli counterpart, Shimon Peres. Abdulilah Khatib, who met Thursday with Palestinian Authority President Yasser Arafat, is briefing the two sides on Tuesday's talks between President Bush and Jordan's King Abdullah.



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define Israel's borders. During quieter times, the issue of rules of origin wouldn't be so volatile.

But Israeli officials fear E.U. legislators may call for sanctions against Israel because of alleged human rights violations during the past six months of violence, and because of Israel's decision to withhold tax receipts it owes the Palestinian Authority.

E.U. nations are among the largest foreign donors to the Palestinian Authority, and some are highly resentful of economic sanctions Israel has imposed in an effort to compel the Palestinians to curb violence.

Still, Harel believes both sides will find a technical way to address the border issue, letting the E.U. Customs Commission discuss customs borders rather than political borders.

"Our position is clear," Harel said. "There are no customs unions between us and the Palestinian borders, so anything produced over the Green Line should go into the European Union free of any tax."

The entire matter of rules of origin — where a product originates and how this affects customs duties — is a complex, technical matter.

During the last 10 months, Israel's Foreign Ministry has answered almost 2,000 requests from E.U. customs authorities seeking to determine where the products exported to E.U. nations are produced.

The ministry has 10 months to answer each request, during which each Israeli company must provide the necessary documentation.

"This has been bubbling along for ages, and it's no secret that both sides were hoping there would be a peace agreement by now and everyone would know where Israel's borders are," said David Kriss, spokesman for the Delegation of the European Commission in Israel.

"But given that things haven't been solved, and there's been increasing pressure on the E.U. commission to do its job and enforce the agreements, things have come to a head."

Most of the players believe the two parties will use existing E.U. institutions to solve the dispute.

"I don't think we'll hear more than mild criticism, unless the situation deteriorates," Harel said.

For the Soda Club's Wiseburgh, the whole matter is distressing.

He doesn't want to worry about tax duties on his injection-molded plastic jars, syrup containers or aluminum cylinders.

"We ought to have enough political clout to say, 'Let's not make an issue out of this at this point in time,'" he said. □

Israeli officials wants Russian tourists

MOSCOW (JTA) — Israeli officials are hoping to encourage more Russian tourists to visit the Jewish state.

With tourism dropping some 45 percent since Palestinian violence erupted last September, a group of Israelis, led by Tourism Minister Rehavam Ze'evi, visited the Russian capital recently to participate in Moscow's International Travel and Tourism Exposition.

While the officials sounded the drumbeat about tourism to Israel, their message did not target Russian Jews — but rather group tours, particularly those bringing Russian Orthodox pilgrims to the Holy Land.

Russian Jews who visit Israel tend to stay with friends and relatives who have made aliyah, Pinni Milo, an aide to Ze'evi, told JTA.

Pilgrims, on the other hand — though not very well off by Western standards — are numerous and represent a vast untapped market.

One such pilgrim is Katya, a 23-year-old student in Moscow.

Katya plans to visit Christian holy sites in Israel soon — though she is afraid of Palestinian terrorists, whom she compares to Chechen terrorists who have set off bombs in Moscow.

Such sentiments would endear her to Ze'evi, a right-wing politician who at one time advocated the "transfer" of Arabs from areas under Israeli control to neighboring Arab countries. □

JEWISH WORLD

Jewish groups blast 'B.C.' comic

The American Jewish Committee lashed out at a popular comic strip for its "denigration of Judaism" in its Easter Sunday edition.

The Anti-Defamation League likewise blasted the "B.C." strip, which depicts the candles of a menorah burning out as the words Jesus is believed to have said before his death are recited.

Cartoonist Johnny Hart issued an apology, saying, "This is a holy week for both Christians and Jews, and my intent was to pay tribute to both. I sincerely apologize if I have offended any readers."

U.N. to hear 'radical' proposal

The U.N. Commission on Human Rights in Geneva is slated to hear a Palestinian-proposed resolution next week that the Israeli Foreign Ministry criticizes as "very radical," according to the Israeli daily Ha'aretz.

The resolution states that Israel's actions in the West Bank and Gaza Strip are war crimes, citing "the intentional and systematic killing of women and children," the "assassinations of Palestinian figures," and collective punishment like closures, blockades and the bombing of residential areas.

Ex-Nazi faces trial in Germany

A German court plans to try later this month a former Nazi SS officer who served as a guard at a Czech transit camp.

Anton Malloth, 88, is accused of killing at least three prisoners at the Theresienstadt camp.

German prosecutors closed their case against Malloth in 1999, but reopened the investigation after a new witness came forward in the Czech Republic.

Romanian extremists join forces

Two extremist groups seeking to rehabilitate Romania's pro-fascist wartime leader Ion Antonescu joined forces. Leaders of the new organization include a well-known anti-Semite and a Holocaust denier.

Day of Jewish culture planned

Jewish groups, including the European Council of Jewish Communities and B'nai B'rith Europe, met with E.U. officials to discuss the European Day of Jewish Culture. When the event is held Sept. 2 in about 20 European countries, Jewish sites will be open to the general public.

Prague museum has new addition

The Jewish Museum in Prague opened a new set of facilities adjacent to the city's Spanish synagogue.

The complex includes art restoration workshops, a library and an exhibition hall.

State Dept. refuses to reward info on killers of Americans in Israel

By Matthew E. Berger

WASHINGTON (JTA) — Jewish organizations are concerned about a recently released State Department report that said the United States still will not offer rewards for information about American citizens killed by Palestinian terrorists.

In its semiannual report on terrorist activity in the Middle East, the State Department said its program offering rewards for finding the killers of Americans abroad — the "Reward for Justice" program — does not apply in Israel, the West Bank or Gaza Strip.

"The Department of State, in coordination with other U.S. agencies, believes that publicizing rewards in the cases of the remaining fugitives would be detrimental to ongoing efforts to capture them and could increase the danger to American citizens and facilities overseas, particularly for the thousands of Americans who live and travel in the Holy Land," the report said.

The report said, however, that it might consider giving up to \$5 million to people who provide information about any of the 12 Americans murdered in the region.

The Zionist Organization of America, which long has advocated rewards for the capture of Palestinians who have killed Americans, was outraged by the report.

"Clearly, the State Department is doing anything they can to protect Arafat's image," ZOA President Morton Klein said. "They are refusing to admit that he harbors killers of Americans."

The issue of rewards was raised last month in a meeting between Secretary of State Colin Powell and leaders from the Conference of Presidents of Major American Jewish Organizations, an umbrella group of 54 Jewish organizations.

A spokesman for the State Department was unavailable for comment. □

Pressure builds in U.S. Congress to downgrade ties to Palestinians

By Matthew E. Berger

WASHINGTON (JTA) — As Palestinian Authority President Yasser Arafat ignores demands to restrain attacks on Israel, support is building in Congress to prevent Arafat from visiting Washington and to reassess America's relationship with the Palestinian Authority.

A group of 87 senators and 209 congressional representatives have signed a letter to President Bush outlining policy options for the United States, including reconsidering aid to the Palestinian Authority and placing the organization on a list of terrorist groups.

"While this reassessment is taking place, we do not believe Chairman Arafat should be invited to meet with high-level officials in Washington," the letter said. "We also believe that you should reaffirm America's opposition to a unilaterally declared independent Palestinian state."

In addition, the lawmakers want the administration to consider barring Palestinians believed to be involved in terrorist attacks from entering the United States and consider closing the Palestine Liberation Organization office in Washington.

Similar letters have circulated in Congress since the violence began six months ago, but Matt Gobush, Democratic spokesman for the House International Relations Committee, said this campaign is far wider in scope and in its level of support.

Last week's letter came after the State Department released a report accusing P.A. security forces of instigating and participating in anti-Israel violence.

"Responsibility for the recent breakdown of the peace process and outbreak of violence in the Middle East clearly lies with the Palestinians," said Rep. Tom Lantos (D-Calif.), the ranking minority member on the House International Relations Committee. "In violation of his commitments, Yasser Arafat has turned a blind eye as Palestinian terrorists have targeted innocent Israeli men, women and children for deadly ambushes and suicide attacks. And Palestinian security forces are increasingly joining the fray." □

Czech Jewish leaders battle to get 300-year-old synagogue

By Magnus Bennett

PRAGUE (JTA) — Of the historic Jewish sites in the Czech Republic, few can rival those found in the town of Kolin.

Among them is a 300-year-old synagogue that has been restored and converted into a cultural center with a distinctly Jewish tone.

But visitors anxious to steep themselves in Kolin's heritage won't find the cultural center listed in the Jewish community guidebook. Prague's Jewish Community removed the center from its "must visit" list following a 10-year dispute with the local city hall.

Prague Jewish officials have long argued that Kolin — whose last professed Jewish resident died 20 years ago — should hand them the cultural center.

But town officials, who restored the synagogue last year at a cost of \$500,000, point out that a court decision several years ago made them the building's legal owners.

"It's absolutely disgusting," said Tomas Kraus, executive director of the Czech Federation of Jewish Communities. "The synagogue was once owned by the Jewish community that lived there, so we should have it back. It is a matter of principle."

The courts ruled that the synagogue — a protected monument — belonged to the town council.

But Kraus said the ownership question was based on an "unjust" 1991 law.

"The synagogue was taken over by the Communist state," said Kraus, adding that a 1991 law "stated that former state property should go to municipalities rather than back to former owners. We have received cooperation from other municipalities in the past on this issue, but not in this case."

Kraus also said the Jewish community did not have money early in the dispute to restore the former synagogue, but could have restored it "a bit at a time" with the help of state aid, he said.

Town officials insist they are blameless.

Negotiations on the issue between the Prague Jewish community and town officials began after the fall of the Communist government and broke down two years ago.

Former Deputy Mayor Jaromir Cabela, who was involved in the negotiations, said there had been no bad will on the part of the council.

"I am sorry that there has been no communication from the Prague Jewish Community for the past two years. We do have Jewish groups from abroad who come here and even sponsor concerts in the center," Cabela said.

"If the Jewish community here comes back to us with a new proposal the council will listen, but last time we talked there was no room for compromise."

Cabela also said city hall had decreed that the center should "respect Jewish traditions" by serving only kosher wine and banning events on the Sabbath.

But Kraus is not placated by such arguments.

"A Jewish cultural center without Jews?" he said. "How do they know what Jewish traditions there are if we are not involved?"

Outsiders have been drawn into the dispute, somewhat unwillingly. The Northwood and Pinner Liberal Synagogue of London, which has long-standing ties with Kolin, is the proud

owner of a Kolin Torah scroll, one of more than 1,500 Czech scrolls rescued in 1964.

Michael Heppner is chairman of the synagogue's "Czech Connection," dedicated to building a bond between the Northwood synagogue and the lost congregation of Kolin. He said his synagogue in the past tried to act as a conduit to advance negotiations between the parties.

"It is very unfortunate that the poor relations between the town and the Prague Jewish Community could not be resolved so as to make possible friendly cooperation in the task of restoration," Heppner said.

But he might be prepared to step back into the fray.

"Sooner or later the dispute will be resolved, but it will take a change in attitudes and negotiating positions to bring this about," Heppner said. "Neither side has asked us to help find a solution. We are just interested bystanders who would like to help, but we have been unsuccessful in bringing the two sides together."

The chasm between Kolin's officials and the Czech Jewish community may yet be bridged.

"On the matter of ownership, we cannot compromise," Kraus said. "However, if there is a way in which we could buy back the ownership, that may be a way forward." □

ARTS & CULTURE

Children's festival in Moscow shows arts rekindle Jewish life

By Lev Gorodetsky

MOSCOW (JTA) — Olga, a 15-year-old from Kiev, led a Passover seder for her family for the first time this year.

Introducing her two younger brothers to Passover, she sang Hebrew and Yiddish melodies she had learned at Jewish choir classes in Kiev.

"My non-Jewish friends keep wondering what is drawing me to Jewish choir classes in the evenings instead of going to a disco with them. I can't tell exactly, but probably it is the feeling of being at home and with your own people," says Olga, who was one of 500 participants from the former Soviet Union and Israel at last week's Fifth International Jewish Children's and Youth Art Festival in Moscow.

The three-day event, sponsored by the American Jewish Joint Distribution Committee, included performances by choirs, folk dance troupes and theater groups, and a painting exhibition.

Russian civilization always has placed a high value on the arts.

For Russian Jews, this has been doubly true: In addition to imbibing the importance of culture from the general society, they have used the arts as a way of ethnic self-identification.

The famous Moscow State Jewish Theater, headed in the 1930s and 1940s by the great Jewish actor Solomon Mikhoels, was the focus of Russian Jewish life under Stalin.

Stalin's secret police understood the role of the theater only too well. As a wave of anti-Semitism swept through the Soviet Union in 1948, Mikhoels was killed in a staged road accident, and his theater was closed.

Some of the participants at last week's festival said efforts to promote Jewish culture can serve to unite Jews across the former Soviet Union. "Jewish art is not dead," said Vladimir Neimer, an orchestra conductor from Uzbekistan. "We have to give it an extra impetus, and the potential here is gigantic." □