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TOP NEWS IN BRIEF

U.S. names Mideast envoy

The United States named William Burns, the designated assistant secretary of state for Near Eastern affairs, as a special assistant to assess the possibility of resuming Israeli-Palestinian peace talks.

The appointment came amid reports that the United States is working on a new Middle East peace initiative. [Page 1]

Youth group cuts cord

One of North America's largest Jewish youth groups will break off from its parent organization and become an independent group.

Under a plan approved this week, B'nai B'rith Youth Organization — currently a department of B'nai B'rith International — will invite philanthropists and organizational leaders to serve on its board.

The move, similar to one made in the early 1990s by Hillel: The Foundation for Jewish Campus Life, is expected to help the financially struggling youth group raise money.

German slave lawsuit dismissed

A U.S. judge dismissed a class-action lawsuit by former Nazi-era slave laborers against German companies.

The decision by Judge Shirley Wohl Kram could help pave the way for payments to begin in mid-July from a \$5 billion German fund for former slave and forced laborers, but representatives for the German companies involved in the fund said the one remaining slave labor lawsuit in California must be dismissed before payments can start. [Page 3]

Waldheim backing blasted

A leading Jewish group is criticizing Austria's foreign minister for planning to ask the United States to remove former Austrian President Kurt Waldheim from a list preventing alleged Nazi war criminals from visiting America.

The World Jewish Congress said the claim by Austrian Foreign Minister Benita Ferrero-Waldner, who is meeting with top U.S. officials this week in Washington, that recently released CIA files clear Waldheim is absurd because the files do not deal with Waldheim's war record. Waldheim, who served with a German army unit during World War II, has denied that he was involved in Nazi war crimes.

U.S. endorses the Mitchell report; State trio to work for implementation

By Matthew E. Berger

WASHINGTON (JTA) — With pressure mounting on the Bush administration to help stop Mideast violence, Secretary of State Colin Powell is turning to three diplomatic veterans to explore American options.

The administration on Monday endorsed the report of a five-man commission led by former Sen. George Mitchell that investigated the past eight months of Israeli-Palestinian violence.

Powell said the three officials will examine how the United States can contribute to ending the violence.

The United States' role may become more visible than it has been in the first months of the Bush administration, but analysts see Powell's announcement less as a change in American policy than an expansion of current doctrine — encouraging other countries to serve as mediators, with the United States playing a role only when the parties specifically ask it to do so.

Powell announced that he was appointing William Burns, the designated assistant secretary for Near Eastern affairs, as a special assistant to try to renew stalled Israeli-Palestinian security talks.

He also called on U.S. Ambassador to Israel Martin Indyk and Ron Schlicher, the consul general in Jerusalem, to increase their work with regional leaders toward implementing the report.

Powell said he was encouraged that both Israel and the Palestinian Authority have announced their support for the Mitchell Commission report to one degree or another.

"It is their report," Powell said. "They have commented on it and found it to be an acceptable report, and they should take action on that with which they helped commission and which they have found acceptable."

The report outlines a three-pronged approach to rebuilding relations between the two sides — ending violence, rebuilding confidence and resuming peace negotiations. It recommends a "cooling-off period" and urges both sides to condemn incitement.

"Fear, hate, anger and frustration have risen on both sides," Mitchell said in a New York press conference.

"The greatest danger of all is that the culture of peace, nurtured over the previous decade, is being shattered. In its place there is a growing sense of futility and despair, and a growing resort to violence."

The report calls for the two sides to implement an immediate cease-fire and carry out previously signed agreements.

It calls on the Palestinians to "make a 100 percent effort to prevent terrorist operations and punish perpetrators," and demands that Israel completely freeze settlement activity in the West Bank and Gaza Strip, including expansion of settlements to accommodate "natural growth."

Mitchell and Powell emphasized that an end to violence should not be linked to the settlement freeze or any other proposals in the report.

"We should end the violence, and none of the confidence-building measures — or all of the confidence-building measures together — are not linked to ending the violence," Powell said. "It's a very clear sequence in my mind."

Both sides have expressed at least pro forma support for the Mitchell report. Still, the Israeli government objects to the call for a settlement freeze, though it has said it will not build new settlements.

The Palestinians say they support the report in full, and reject any Israeli attempt

MIDEAST FOCUS

Family of slain teen attacked

Palestinian gunmen fired on the house of an Israeli teen-ager bludgeoned to death earlier this month.

No one was hurt in the attack on the Mandell family dwelling in the West Bank settlement of Tekoa.

Peres defends F-16 strikes

Israeli Foreign Minister Shimon Peres defended his country's F-16 missile strikes against the Palestinians. Peres made his comments Monday in Moscow, where he is meeting with Russian President Vladimir Putin and other Russian officials.

Peres said Israel wishes to reach a political solution through negotiations and will respond militarily only when there is no choice, but would never shell Palestinian civilian targets.

Health group criticizes Israel

The World Health Organization criticized Israel for the "excessive use of force against Palestinians."

The resolution passed Monday at the organization's annual assembly — which regretted the "escalation of violence," voiced concern about Israeli settlement policies in the West Bank and Gaza Strip and emphasized support for Palestinian self-determination — passed by a vote of 92-3.

Temple group marches

Members of a Jewish group devoted to rebuilding the biblical Temple in Jerusalem demonstrated against the main Palestinian office complex in eastern Jerusalem.

The Temple Mount Faithful protested Monday that Jews are not being allowed to visit the Temple Mount, while the Palestinians' Orient House is allowed to operate in Jerusalem.

"Destroy them before they destroy us," Gershon Solomon, the leader of the group, was quoted as saying during the rally.

to amend the report or accept only parts. This creates a difficult situation for the United States.

Powell "wants to create an atmosphere in which leaders can reach out to each other without losing face at home with key constituencies," said David Makovsky, senior fellow at the Washington Institute for Near East Policy.

Makovsky said the Bush administration wants to be seen as helping to implement a proposal backed by the United Nations, European Union and other international players, rather than pushing its own agenda.

The Bush administration has been very critical of the intensely hands-on manner in which former President Clinton tried to bring Israel and the Palestinian Authority to a final agreement.

Samuel Lewis, a former U.S. ambassador to Israel, said the Bush administration has a lot to lose by wading deep into the Middle East conflict early in its tenure.

Lewis said an unsuccessful U.S. attempt to pressure Israeli Prime Minister Ariel Sharon to freeze settlement activity could send a message to the Arab world — including Iraqi President Saddam Hussein — and to leaders in hot spots like Russia and China that the United States cannot even control its closest ally.

"That's not a message, I would submit, that George Bush wants to send at this stage in his administration," Lewis said. "It would be easier to send it much later, if you were ever going to send it."

Yet ignoring the Middle East could hurt Bush in the long run.

"Particularly new administrations are often confronted with things they didn't anticipate having to deal with," Lewis said. "But if they don't take seriously multilateral possibilities, we end up in a very unilateral mess a bit later on."

Lewis also noted that Middle Eastern players often gauge the importance an American administration gives to the region by the degree of the president's personal participation.

"We have managed to spoil the players in the Middle East over the years, sufficiently so that it's very hard to convince Israelis or Arabs that the U.S. is serious unless the American president is visibly involved in something," he said.

Shibley Telhami, a professor of peace and development at the University of Maryland, said U.S. endorsement of the Mitchell report is important, but the Bush administration should not get bogged down enforcing specific items.

"The worst thing that the U.S. would do is to actually take up the issue of settlements," Telhami said. "The danger here is to start breaking this issue down, because it'll blow up in every Arab and Palestinian's face, and it'll blow up" in the Americans' face.

Lewis said that the U.S. endorsement, on its own, will not change the situation in the Middle East.

"It's got to have the muscle and the energy of a U.S. administration deeply involved in flogging it over the next six or eight months, along with other players, but with our energy behind carrying it out, not just endorsing it," Lewis said. "And that, I suspect, is not very likely." □

Poll: Israeli Arabs more alienated

JERUSALEM (JTA) — The percentage of Israeli Arabs who consider themselves Israeli has dropped almost in half during the past six years, according to an Israeli poll.

Only 33 percent of the respondents to a poll commissioned by the Peace Research Institute at Givat Haviva said the title "Israeli" was an accurate description of their identity, as opposed to 63 percent who said so in 1995. □

Tourist drop forces El Al to cut jobs

JERUSALEM (JTA) — El Al Israel Airlines, hard hit by a drop in tourism to Israel during eight months of violence with the Palestinians, said it plans to cut 500 jobs in an effort to save \$50 million a year.

"We plan to reduce the number of aircraft in the fleet by removing about five airplanes, and by doing this we will need to cut back on jobs in all sectors," an El Al spokesman said last week. □



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JEWISH WORLD

Letter links energy, justice

Several U.S. Jewish religious leaders joined colleagues from other faiths in calling on President Bush to make the country's energy policy an instrument for social justice.

In an open letter to the White House after the administration unveiled its energy policy, the 39 leaders said there is a moral obligation to choose "the safest, cleanest and most sustainable sources of energy to protect and preserve God's creation."

Divorce laggards to be punished

The rabbinic organization for U.S. centrist Orthodoxy urged its synagogues to punish people who deny their spouses a Jewish divorce, or get.

The Rabbinical Council of America's resolution, which enables communities to withhold synagogue membership or deny honors without first waiting for a ruling from rabbinic courts, is expected to help agunot, Jewish women unable to obtain a divorce.

Ethiopian aliyah remembered

Members of Israel's Ethiopian community held a ceremony in Jerusalem in memory of those who died en route to Israel during the past two decades.

Monday's ceremony was part of a weeklong celebration for Ethiopian immigrants on the 10th anniversary of Operation Solomon, a massive airlift of Ethiopian Jews to Israel.

German Shoah memorial by 2004

Tests have begun on the material to build a national Holocaust memorial in Germany. Construction on the controversial memorial, which has been in the works for more than a decade, is expected to begin next fall and finish by January 2004.

A fund-raising campaign for the memorial, which is slated to cost approximately \$22 million, will start next month.

Czech Jews want Nazi inquiry

Czech Jewish leaders launched an unprecedented campaign for a public hearing into the growth of neo-Nazism there.

The campaign was launched by representatives of the Prague Jewish community and the Czech Federation of Jewish Communities in a statement Sunday.

Russian Jews fete Jerusalem

Thousands of Russian Jews gathered in a Moscow public garden rented by the Israeli Embassy to celebrate the unification of Jerusalem after the 1967 Six-Day War.

Sunday's event, sponsored by major Jewish organizations, featured concerts and an appearance by Israeli Foreign Minister Shimon Peres.

German slave fund payments closer after court case dismissed

JTA Staff Report

BERLIN (JTA) — The latest U.S. court ruling on a German fund for slave and forced laborers increases the chances that payments will begin as early as mid-July.

The optimism comes as German politicians and survivor representatives alike hailed a U.S. appeals court decision May 17 that removed all conditions from a previous judge's dismissal of lawsuits against German banks.

As a result, German Chancellor Gerhard Schroeder said it is possible for the German Parliament to certify that the ruling ensures that no more Nazi-era lawsuits will be filed.

In the May 17 decision, the appeals court ruled that Judge Shirley Wohl Kram had overstepped her authority in trying to force the German compensation fund to cover claims made from Austria.

Otto Graf Lambsdorff, the German government's chief negotiator for the fund, called the appeals court decision "superb." But he asked the Parliament to hold off on its decision about closure until they had heard from the German industry group.

Schroeder has offered to mediate in case of difficulties.

Individuals and groups representing the laborers called for the money to be distributed quickly.

However, German industry representatives were only cautiously optimistic.

Wolfgang Gibowski, spokesman for the German firms that contributed to the fund, the German Industry Foundation, welcomed the appeals court decision.

However, he said it was "unfortunately" not enough to ensure protection from future lawsuits. Gibowski still is awaiting the outcome of other cases, including one in California.

On Monday, Kram dismissed one of the last few remaining lawsuits.

"It is my hope that payments begin immediately," she said.

For their part, a group of German companies that contributed to the fund distanced themselves from Gibowski, urging Schroeder to pay the aging survivors before they die.

Forty-three of the 6,000 German firms that gave to the fund said in the letter that 200 victims die each day.

The German government and a group of German businesses agreed in February 1999 to create the \$5.2 billion fund to compensate the laborers.

Under the terms of an agreement reached in March 2000, some 240,000 slave laborers — about 140,000 of whom are Jewish — would receive up to \$7,500 each. More than 1 million forced laborers would get up to \$2,500 each.

People whose property was looted by the Nazis, who were victims of Nazi medical experiments or who hold unpaid Holocaust-era insurance policies also may claim payments.

In addition, the letter from the 43 companies blasted the compensation fund's directors, accusing them of evading their historical responsibility. There has been no official response to this charge.

In a separate matter, the board of the industry foundation has been threatened with a lawsuit from one of its members, who has not received an answer on what will be done with the interest accruing on the money in the fund, according to *Der Spiegel* news magazine.

Politicians last week noted that the fund earns six figures in interest daily. Gibowski said he would not release any information on the matter.

Romanian publisher sorry for bad jokes

NEW YORK (JTA) — A Romanian publisher has apologized for a book that contains some jokes about the Holocaust and ordered that any remaining copies be withdrawn from stores.

However, nearly all 20,000 copies of "The Best Jokes and Answers," written by Ioan Marinescu, a politician who is being investigated for inciting racial hatred, have been sold. □

Israel, P.A. praise Mitchell report — but carrying it out will be harder

By Naomi Segal

JERUSALEM (JTA) — Israel and the Palestinian Authority reacted positively Monday to the release of an international report on the outbreak of Mideast violence, but it remains to be seen whether the sides will follow the report's recommendations to end the fighting and resume peace talks.

Israeli Prime Minister Ariel Sharon said almost all of the report's recommendations were acceptable to Israel — but he has rejected its most controversial section, which calls for a total freeze on Israeli settlement building in the West Bank and Gaza Strip, including "natural growth."

"We made our position on the matter clear and it is known," Sharon said. Sharon's government has pledged not to establish new settlements, but says it must accommodate natural population growth in existing ones.

At a news conference in Washington, U.S. Secretary of State Colin Powell called for an immediate and unconditional end to violence in the region. Though he urged the Israelis to freeze construction in the settlements, he made it clear that the request is not a precondition for a cease-fire.

Israel objects to any linkage between the two issues.

Foreign Minister Shimon Peres, who was in Moscow on Monday for high-level talks, characterized Powell's remarks as positive and said the United States would find Israel receptive to the Bush administration's approach.

Meanwhile, Infrastructure Minister Avigdor Lieberman, a member of the right-wing camp in Sharon's government, warned that a settlement freeze would lead to the deterioration of Sharon's coalition.

For its part, the Palestinian Authority said it accepts the report's recommendations and called for an international summit to address their implementation.

A statement issued in Gaza said the Palestinian Authority particularly welcomes the recommendation to stop settlement activity and what it characterized as violence against Palestinians.

The report urges both sides to take confidence-building measures toward resuming negotiations. It also criticized what it considers the use of excessive force by the Israel Defense Force in responding to Palestinian unrest.

The report calls on the Palestinian Authority to stop attacks on Israeli targets and to do more to combat terrorism.

At a news conference announcing the report, former U.S. Sen. George Mitchell, head of the international commission, noted that the panel has no authority to compel the sides to implement the recommendations.

In Israel and the territories, meanwhile, violence continued unabated Monday.

In the southern Jerusalem neighborhood of Gilo, five Israelis were wounded, two seriously, by Palestinian gunfire from the nearby Arab town of Beit Jalla. Reports said three children were also slightly hurt by shattered glass.

Earlier in the day, there were a series of attacks against Israelis in the West Bank, but no injuries were reported.

A bomb also was detonated near a school bus carrying children. In Hebron, IDF troops clashed with Palestinians and shots were fired at the city's Jewish enclave from the Palestinian neighborhood of Abu Sneineh.

In the Gaza Strip, reports said Israeli security forces entered a Palestinian-controlled area to determine the launching site of two mortars that exploded in the fields of the Netzer Hazani settlement.

Earlier, Israeli troops found and detonated a bomb on the Netzarim Road. Israeli troops killed two Fatah members during an exchange of fire as the Palestinians were reportedly trying to plant a bomb.

On Sunday night, the Israeli army also shelled what it said was a mortar-producing factory in a refugee camp. The Palestinians said the building was used for civilian purposes.

The IDF said Monday that there was no intent to harm Jibril Rajoub, head of the Palestinian Preventive Security Service in the West Bank, when a security position beneath his home was shelled Sunday night, wounding several guards. The Israeli army said troops were responding to repeated fire on them from the house.

Against the backdrop of the tense security situation, thousands flocked to Jerusalem for the annual Jerusalem Day commemorations, marking Israel's reunification of the city 34 years ago.

At the central ceremony on Ammunition Hill, the site of fierce fighting in the 1967 Six-Day War, Sharon reiterated his support for maintaining a united Jerusalem under Israeli sovereignty in a future political agreement with the Palestinians.

"If we persevere and show determination, we will reach a political arrangement in which there will be the peace we all want and are committed to, as well as security," he said. "It will be peace with Jerusalem, the capital of the Jewish people for 3,000 years and the capital of Israel, with the Temple Mount, the heart of the Jewish people, in its center, united and undivided forever." □

Quebec premier builds bridges while visiting with Montreal Jews

By Bram Eisenthal

MONTREAL (JTA) — The new premier of Quebec may not have expected to win Jewish support for his separatist platform, but his visit to the central address of Montreal's Jewish community at least won him some goodwill.

Speaking recently to a luncheon of the community's leadership, separatist leader Bernard Landry stressed the similarities between Quebec and Israel, probing perhaps for a soft spot in a Jewish community that has not looked upon the separatism with favor.

The luncheon was organized by the Quebec region of the Canada-Israel Committee and Montreal's Jewish federation, known as Federation CJA. It marked Landry's first appearance here since taking over from Lucien Bouchard as leader of Quebec's separatist forces earlier this year.

Bouchard resigned in part due to comments from his party colleague Yves Michaud that were perceived as anti-Semitic.

Montreal's Jewish population has diminished in recent years in part because of what many perceive as the anti-Semitism in the French-speaking secessionist movement in Quebec.

Speaking to about 350 people, Landry acknowledged the uphill nature of any attempt to win Jewish support for an independent Quebec. The reception given Landry was warm, even though most of his audience favors the status quo, with Quebec remaining within Canada's federalist system.

Landry, who studied in France as a young man, said he had been impressed by how much France's Jews contribute to the nation's growth. □