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84th Year

TOP NEWS IN BRIEF

Israel withdraws from Kalkilya

Israeli forces withdrew from the West Bank city of Kalkilya.

The army said it would remain in Israeli-controlled territory nearby "to prevent terror activities launched from" areas under Palestinian control.

The withdrawal early Monday morning came despite a shooting attack a day earlier in a Jerusalem neighborhood in which a Palestinian gunman killed two Israeli teen-agers and wounded dozens of Israelis. Israeli forces remain in Ramallah, Tulkarm and Jenin.

U.S. again presses Arafat

"Words are not enough" for Yasser Arafat to prove that he is against terrorism, the U.S. ambassador to Israel said.

Speaking Monday at a meeting of the Foreign Press Association in Tel Aviv, Daniel Kurtzer also said the Palestinian leader must do more to crack down on Palestinian militants and decide "where he stands on questions relating to terrorism."

Jackson-Vanik may soon end

The United States may remove a law that restricts trade with Russia.

The Jackson-Vanik Amendment of 1974 — legislation that helped to ensure the emigration of tens of thousands of Soviet Jews in the 1970s and 1980s by tying trade to emigration policy — is likely to be rescinded for Russia and other former Soviet republics.

U.S. Jewish groups, however, want assurances that Russia will continue to fight anti-Semitism and work on Jewish community renewal.

Russian Jewish leaders are asking President Bush to consider lifting the trade regulations, saying there is free emigration from Russia and no state-sponsored anti-Semitism.

Shoah-themed shows win Emmys

Three Holocaust-related television programs won 2001 Emmy Awards on Sunday. "Anne Frank" won for best miniseries, and Brian Cox won for best supporting actor in "Nuremberg."

The movie "Conspiracy," about the Nazi decision to commit genocide against the Jews, garnered the best actor award for Kenneth Branagh and the writing award for Loring Mandel.

BEHIND THE HEADLINES

One year into intifada, Palestinians find economy goes from bad to worse

By Gil Sedan

JERUSALEM (JTA) — Suppose a miracle takes place, and Israelis and Palestinians stop shooting and resume talking. Even then, the Palestinian economy will need at least three years to recover, according to economic experts at Israel's Defense Ministry.

"It is not a matter of just saying, 'OK, let's return to the good old days,' "Lt. Col. Isaac Gurvich, head of the economic branch of government activities in the West Bank and Gaza Strip, told JTA this week. "It is a much more complex process. The wheels will have to start rolling again, and it will take time."

It may also take some time before Israeli employers try their luck again with Palestinian workers due to uncertainty over whether they will be able to make it to daily jobs — and because of the security risk they represent.

"As the intifada continues, more and more foreign workers replace Palestinians," Gurvich explained. "Even if the security situation stabilizes, you can't send them back to Thailand and Romania overnight. It will take time before Palestinian laborers can return."

It also will take time before the tourism industry recovers, before Israeli shoppers return to Palestinian towns, and even before Israelis return to gamble at the Jericho casino in the West Bank.

"The situation is worse then ever," agreed Reserve Col. Shalom Harari, a former Arab affairs adviser at the Defense Ministry. "There are almost no trade contacts."

Whatever contacts could develop likely would be vetoed by Palestinian militants. Few dare challenge the semiofficial boycott the Palestinians have imposed on Israeli products, even though the Palestinian population pays the price.

Moreover, even small business ties between Israeli merchants and their Palestinian colleagues have come to a halt. Several Israelis who continued to meet their business partners along the pre-1967 border were murdered — the latest case was about two months ago — and even yuppies from Tel Aviv's Sheinkin Street, the apotheosis of Israeli post-Zionism, have stopped believing in Palestinian good will since two Sheinkin restaurateurs were murdered in Tulkarm while lunching with a friend last winter.

The figures are shocking. According to Israeli estimates, in the past year the Palestinians have lost some 28 million work days, the equivalent of \$650 million in income. The volume of trade between Israel and the Palestinian Authority has shrunk from \$3 billion prior to the intifada to \$2.5 billion in the last year.

"This is unbelievable — half a billion dollars have disappeared," Gurvich said. "Some 120,000 Palestinians families have lost their main source of income."

Some 40 percent of Palestinians now live beneath the internationally accepted poverty line of \$2.10 daily income per person.

Palestinian economists are worried. They know that they desperately need the Israeli market, at least in the foreseeable future. According to a recent Palestinian poll quoted by The Associated Press, only 44 percent of Palestinians — down from 67 percent just six months ago — advocate a Palestinian state that does not have economic ties to Israel.

Two weeks ago, 14 Israeli economists and four Palestinians met at a conference center of Germany's Konrad Adenauer Foundation, located in northern Italy, to try to renew the economic dialogue.

But it appears there is little the sides can do beyond talk. Of the 300,000 Palestinians that the Oslo accords envisioned working in Israel, hardly 12,000 currently

MIDEAST FOCUS

Bomb wounds three Israelis

Three Israelis were wounded when a bomb exploded in an Israeli settlement near the West Bank city of Jenin. One suffered moderate wounds and the other two light injuries in the blast at a factory in Shaked. Islamic Jihad claimed responsibility for Monday's bombing.

Peres, Arafat meet in Brussels

Shimon Peres and Yasser Arafat met at an informal gathering hosted by E.U. officials in Brussels. Belgian Prime Minister Guy Verhofstadt, whose country holds the rotating E.U. presidency, held separate talks with the two earlier Monday in an effort to reduce Middle East violence.

Also in Brussels, Peres demanded of Syrian Foreign Minister Farouk al-Sharaa that Hezbollah, which operates under Syrian patronage, return the bodies of three Israeli soldiers kidnapped last year.

New Negev community planned

Israel authorized the creation of a community in an area of the Negev it once offered to the Palestinian Authority. The planned community of Be'er Milka is in an area known as the Halutza sand dunes.

At the Camp David summit last year, then-Prime Minister Ehud Barak reportedly offered the Palestinians a portion of the sand dunes in exchange for Israeli settlement blocs in the West Bank. In his election campaign, Prime Minister Ariel Sharon vowed to create communities at Halutza to block future plans for the area to be included in a land swap with the Palestinian Authority.

New tourism minister named

Israeli Prime Minister Ariel Sharon named a new tourism minister. Benny Elon succeeds Rehavam Ze'evi, who was murdered by Arab terrorists last month in Jerusalem's Hyatt Hotel.

Daily News Bulletin

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have jobs — and 3,000 of those are in the Erez industrial park on the border between the Gaza Strip and Israel.

Some 400 Palestinian used to work in Israel's Gush Katif settlements in the Gaza Strip, but after a year of relentless violence the settlers are trying to replace the few remaining Palestinians with Thai workers.

Israel has frozen all Palestinian economic assets. Customs on imported goods — including gasoline and cigarettes — as well as the value added tax, which Israel used to transfer to the Palestinian Authority, are now being held by Israel until Palestinian attacks cease.

It is estimated that Israel is holding at least \$250 million due the Palestinians. Foreign Minister Shimon Peres recently explained why, saying that Israel would not finance the salaries of the Palestinian policemen who have led attacks on Israelis.

The level of cooperation between Israel and the Palestinians has shrunk to the essential. After many Palestinian businessmen defaulted on their Israeli business partners — and Israel had little recourse — Israeli banks no longer give Palestinian businessmen credit beyond a limited overdraft. Palestinian checks are unwelcome, and they are urged to pay in cash.

The Palestinians also depend on Israel for gasoline supply, through the Israeli company Dor Energy. As soon as a gasoline tanker reaches the Gaza border checkpoint, the local authorities pay cash for the oil.

Oil supply is one of the few forms of cooperation that still exists — for the simple reason that Israel is not willing to break all economic ties with the P.A., both for economic and political reasons.

Although the Palestinians receive most of their water from local resources — wells, springs and the central aquifer — at the end of 2000 they received from Israel some 31.3 million cubic meters of water.

The Palestinians receive all their power supply from the Israel Electric Company. In fact, even maintenance work is often carried out by electric company workers, under heavy protection of Palestinian security.

The P.A. now owes the company some \$20 million. Energy Minister Avigdor Lieberman recently suggested halting the power supply until the Palestinians pay up, but the government rejected the proposal.

There has been one ray of light, however — the export of Palestinian produce to Israel's fervently Orthodox community during the shmita year last year. According to Jewish tradition, Jewish-owned fields must lie fallow every seventh year, and many Orthodox Jews will not eat produce from Israel during that year.

Palestinian farmers do continue to use Israeli channels for their exports. Thus, strawberries grown in Gaza are exported under Israeli's Carmel brand through the Israeli agricultural export company, Agrexco.

And last spring, facing the threat of hoof-and-mouth disease, Israel's agriculture minister, Shalom Simhon, hosted his Palestinian counterpart, Hikmat Zeid, to discuss joint efforts to fight the disease, and Israel provided vaccine for Palestinian cattle.

But the overall economic situation in the territories is gloomy. On the eve of the intifada, which began in September 2000, the Palestinian GNP stood at \$2,000 per capita. At the end of this year, it will be only \$1,100 — even less than that in neighboring Jordan.

Take the Israeli GNP of \$16,000 per capita, and one can see the chasm between the two nations.

Some Palestinian economists are determined to find a silver lining, no matter what. "Even now, what we see is that the economy may make or mar the relationship,"

said Zakkariya al-Qaq, who attended the Lake Como meeting. "I can't foresee that any party can ignore the economy."

The meeting in Italy also was attended by Majali Wahabee, director general of Israel's Ministry of Regional Development. In an interview with JTA, Wahabee pointed out the gap between militant Palestinian politicians and more pragmatic Palestinian economists. The politicians are aware of the need for economic recovery, but they give preference to political considerations, which so far have wrought havoc on the Palestinian population.

Theoretically, the Palestinians could import products from Jordan and Egypt to replace Israeli ones, but this has not happened. The Palestinian market no longer holds much business appeal — not even for their Arab brethren.

JEWISH WORLD

Graffiti defaces Moscow school

Vandals scrawled anti-Semitic graffiti at a Jewish institute of higher education in Moscow. Among the swastikas and graffiti found on the Maimonides school last week was one reading, "Death to the Zhids."

Nuremberg center eyes Nazi era

A documentation center about the Nazi era opened in Nuremberg, Germany. The center, which opened Sunday, is located in an unfinished meeting hall that Hitler had planned in the city that hosted massive Nazi rallies.

The center's first exhibit, "Fascination and Force," explores the allure of Nazi propaganda and its role in the Holocaust. The exhibit includes educational materials and photographs of the rallies, and focuses on the 1935 Nuremberg anti-Jewish "race laws" that paved the way for the Holocaust.

Palestinians lose London appeal

In a Nov. 1 verdict, two Palestinians convicted for the 1994 bombing of the Israeli Embassy in London lost their appeal. Jawad Botmeh, 31, and Samar Alami, 33, were convicted in 1996 of conspiracy to bomb the embassy and a separate building that houses the London offices of Jewish charities.

Russian Jews help Israeli army

Some 165 Jews arrived in Israel from the former Soviet Union to serve on noncombative Israel Defense Force bases.

Some 900 people have come to Israel on the Jewish Agency for Israel program this year, an increase from previous years.

Most of the participants in the project are parents whose children are serving in the army or who came to Israel on a Jewish Agency educational program.

Gravestones desecrated in Baku

Fifty gravestones were desecrated in a Jewish cemetery in Baku, Azerbaijan.

The attack comes after the Azerbaijani government closed some mosques in the face of increasing Islamic extremism. The desecration was reported recently by the Union of Councils for Jews in the Former Soviet Union.

Israeli wins race for disabled

An Israeli man won one of the races for the disabled at the New York Marathon. Zvi Bar-Shira finished Sunday's race in 1:27:49, setting a new record for hand cycling.

Meanwhile, a Jewish woman, Deena Drossin, won the U.S. women's championships at the marathon. Drossin finished the 26-plus mile race in 2:26:58.

Marseille Jews concerned, wary after arsonists attack Jewish school

By Andrew Diamond

PARIS (JTA) — Jews in Marseille have been left in a state of shock after vandals burned down part of a Jewish elementary school in the southern port city.

On Oct. 28, two trailers used as classrooms at the Pardes Jewish School in Marseille were destroyed before firefighters could control the flames.

A day later, leaders of the Marseille Jewish community gathered at the charred remains to condemn the act and discuss its implications.

Speaking to journalists at the scene, Clement Yana, president of the local branch of CRIF, the umbrella group of secular French Jewish organizations, emphasized that Jewish leaders are taking the incident very seriously but believe it was the act of young delinquents from the neighborhood.

Nobody seems to dispute this interpretation, but many people in the Jewish community nonetheless are uneasy.

Perhaps most disquieting for some were the inscriptions the vandals sprayed on the walls of the school's main building: "Death to Jews," "Jews Faggots," and "Bin Laden Will Conquer."

"There have already been some incidents," Annick Mettoudy, a mother of one student at Pardes, told reporters at the scene, "but this time it's more serious."

The same feeling prompted the police prefect to position guards around Jewish schools throughout the city.

A wave of anti-Semitic violence erupted in France after the start of the Palestinian uprising in September 2000. Most of those cases involved arson attacks against synagogues.

This past weekend, several anti-Semitic incidents occurred in and around Paris.

Late Saturday night, attackers hurled a Molotov cocktail against the wall of a synagogue in the 20th district, home to large concentrations of Jews and Muslims of North African descent.

The next day, in the nearby 12th district, religious leaders discovered signs of an attempted break-in at a Jewish place of worship.

In another weekend incident, in the suburb of Epinay-sur-Seine, vandals smashed the windows of a Jewish school.

A range of emotions swept the local community following last week's attack in Marseille.

There also was a collective determination not to allow the incident to undermine what for nearly 40 years has been peaceful coexistence between Jews and Arabs in Frais-Vallon, the subsidized housing facility where the school is located.

Though shaken by the destruction of her child's nursery school, Mettoudy did not hesitate to add, "In the area, though, everything is going rather well between neighbors."

The local CRIF leadership echoed this view when it responded publicly to the attack.

"In Marseille, the consensus between communities has always been respected," Yana told a journalist for the regional daily La Provence.

More than a rhetorical gesture, this confidence is based on years of cooperation between the Jewish and Muslim communities of this Mediterranean city at the gateway to North Africa.

An initiative began after the 1991 Persian Gulf War, when the heads of the Christian, Muslim, Jewish and Buddhist communities formed an association called Marseille-Hope to open channels of communication between communities.

Perhaps somewhat ironically, last week's attack came at the beginning of "A Week Against Violence" that had been planned at the local community center.

Projects like these had Jewish and other civic leaders congratulating themselves on the relative calm that has prevailed since Sept. 11 in a city that is home to roughly 80,000 Jews and many more Muslims of North African descent.

The "Week Against Violence" and similar events evidently are not enough to prevent anti-Semitic violence.

But they have paved the way for meaningful dialogue between Jewish and Muslim leaders in responding to such acts. $\hfill\Box$

Yemenite babies not kidnapped in early 1950s, commission finds

By Jessica Steinberg

JERUSALEM (JTA) — An Israeli commission has rejected claims that Yemenite children were snatched from their parents and given away for adoption during the country's first few years of statehood.

The families of the missing children, however, remain unconvinced.

According to the report of the Cohen Commission, most of the children who "disappeared" actually died as a result of the high infant mortality rate at the time among Yemenite immigrants.

The commission's report covers the disappearance of children from immigrant and transition camps in Israel from 1948 to 1954.

From 1948 until 1951, many Yemenite immigrants lived in camps run by the Jewish Agency for Israel in which the children were placed in communal children's houses, similar to those on kibbutzim. From 1951 until 1954 the immigrants moved to transition camps, where they lived together as family units. Most of the alleged disappearances took place during the earlier, immigrant camp period.

According to the commission's findings, a child's "disappearance" usually was a result of death after hospitalization, though sometimes families who couldn't care for their own children left them in the Jewish Agency's care. If a baby died, however, there often was a lack of contact with the families, and babies even were buried without the family being notified.

There also were instances when the Jewish Agency assumed babies had been abandoned when parents didn't visit their children for some time. The commission again found that the authorities often made no effort to find the parents, and criticized the Jewish Agency for this failure.

The parents alleged that their children were taken from them — because of anti-Sephardic bias, they charge — that Israeli organizations never told them what happened and that they didn't provide death certificates.

"We waited for this commission to finally tell the truth," said Shlomo Bahagali, whose son Haim was three months old when he disappeared in 1949. His wife went to nurse Haim in the children's house one evening, Bahagali said, and the next morning the baby was gone.

"What, all the Yemenite children died at the same time?" he told Ha'aretz. "What was it, an epidemic?"

While critical of the Jewish Agency, the commission also noted that the issue had to be viewed in context. In the first three years of the Yemenite immigration, a nation of some 600,000 inhabitants absorbed an additional 685,000 immigrants, including 50,605 from Yemen.

"There is no need to say much in order to convey the scope and scale of the enterprise to absorb the wave of immigration of the time," the commission wrote. Still, it noted, "The problems in communication between the families and the staff of the children's houses — who were mainly Ashkenazi — served as fertile ground for many difficult problems that left a bitter taste among many of the families."

According to Menahem Yitzhari, whose brother Shlomo disappeared at the age of 6, the commission wasn't really seeking the truth. His brother disappeared while hospitalized for a scratch on his leg, he said. On the fourth day of his hospitalization, his

mother was told that he had died, but the family was never provided with a death certificate or a gravesite, Yitzhari said.

Yitzhari believes his brother was abducted by Jewish Agency officials and given to another family. Some Yemenites charge that the babies were given to infertile Ashkenazic couples.

According to the commission report, families that didn't know about burials couldn't pay for tombstones, and graves often were marked only with a sign. Those signs frequently disappeared, making it impossible to locate the graves.

The commission report, published after nearly six years of examination, determined that documentation exists for 972 of the 1,033 missing children. Five additional babies were found to be alive. They were unable to discover what happened in 56 other cases

In those 56 cases, the commission said it was possible that children were handed over for adoption in individual cases, following decisions by local social workers.

The commission was established in 1995 by then-Prime Minister Yitzhak Rabin, following extreme and occasionally violent efforts by Uzi Meshulam, a militant rabbi who lobbied and petitioned for a commission.

At one time, Meshulam and dozens of his followers barricaded themselves in his home, hurling Molotov cocktails at the police and demanding that a new commission investigate the disappearances.

It wasn't the first. There had been two previous commissions, in 1967 and 1988, but their findings were criticized and dismissed.

Even now, the families of the missing children accused the commission of concealing information, obstructing justice and overlooking additional sources of information, such as DNA testing of bones in unmarked graves.

Twenty-two graves were found and remains were sent for DNA testing in 1996, but they didn't yield DNA that could be tested.

"The whitewashing continues," Rosh Ha'ayin Mayor Yigal Yosef told the Israeli daily Ha'aretz. Rosh Ha'ayin is a small city in the center of the country with a large Yemenite community.

"I am pained and angry that they continue to insult our intelligence," he said. "The affair is not over."

New museum planned for Israel

JERUSALEM (JTA) — An interactive museum under construction here will offer information on Judaism around the world.

Delegates to the World Jewish Congress' annual meeting got a preview of the planned "Museum of Jewish Life" when an initial exhibit, on "the way of life of synagogues," opened Oct. 30.

Glass cases hold such items as yarmulkes, Torah covers, menorahs and prayer shawls, showing the diversity of Jewish culture and representing hundreds of years of Jewish life.

"In Israel, the Jewish state, there is no one place where someone can understand what Judaism is, why 'these crazy people' are doing what they are doing," said the museum's curator and director, Yehuda Levy-Almeda

The museum will open in stages over the next several years.

A project of the Jerusalem Foundation, the museum is to be located at the former seat of Israel's Chief Rabbinate.

The renovations are expected to cost \$30 million, and the exhibit and programs another \$10 million, according to foundation spokesman Amnon Be'eri.