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TOP NEWS IN BRIEF

Kidnap victim called Israeli spy

Pakistanis who kidnapped a U.S. journalist claim he works for Israeli intelligence and say they will kill him if their demands are not met within 24 hours.

The threat was made Wednesday in an e-mail to CNN from what is believed to be the group that abducted Wall Street Journal reporter Daniel Pearl. [Page 4]

Bush blasts Palestinian terrorists

President Bush singled out two Palestinian terrorist groups in his State of the Union address.

In his speech Tuesday night, Bush named Hamas and Islamic Jihad — as well as the Lebanon-based Hezbollah — as part of a “terrorist underworld” that must be defeated.

In the early stages of the U.S. response to the Sept. 11 attacks, Bush had been wary of designating Palestinian groups as terrorists for fear of alienating Arab partners in its coalition against terror.

Now, however, they were named as part the world’s “terrorist parasites who threaten their countries and our own.”

Reacting to Bush’s comments, a Hamas spokesman said his group will continue to attack Israelis.

Suicide bomber wounds 2 agents

Two Israeli security agents were wounded when a Palestinian informer blew himself up in their car. Wednesday’s explosion occurred near the Israeli Arab town of Taibeh in central Israel.

Two Shin Bet agents had arranged to meet with the informer, who got into their car and then detonated explosives strapped to his body.

The two agents sustained moderate cuts and burns. Israel Radio quoted security sources as saying the bomb was small and hidden in the Palestinian’s pants.

Terrorist hid in ambulance

Israeli troops arrested a wanted terrorist who tried to use a Red Crescent ambulance for cover.

Disguised as a doctor, the Palestinian was discovered during a routine check of an ambulance near the West Bank settlement of Bracha, Israel Radio reported. Elsewhere, Israeli troops arrested six Palestinians suspected of terrorist activities in villages outside Jerusalem.

BEHIND THE HEADLINES

Bush considers cutting P.A. ties, but questions linger about effect

By Matthew E. Berger

WASHINGTON (JTA) — As the Bush administration ponders whether to cut ties with the Palestinian Authority, the debate continues over the ramifications of such a step.

Formally breaking ties with the Palestinian Authority would be the most extreme sanction — and many believe the least likely — that the United States could take.

The White House has grown increasingly angry at P.A. President Yasser Arafat’s desultory efforts to control Palestinian violence, but many in the Bush administration believe a complete break in relations would be too severe a reaction.

Some lawmakers and American Jewish leaders are recommending that Bush cut the ties. Yet other voices say the step would backfire.

“If you cut ties, there will be no improvement in the situation, and possibly a deterioration,” said Edward Walker, president of the Middle East Institute and a former U.S. ambassador to Israel. “There would be no real check or hope of any check on Palestinian behavior.”

Critics say that cutting ties with the Palestinian Authority would handicap the Bush administration if regional violence intensifies. Taking the most extreme step now, they say, leaves no more cards in Bush’s hand.

Walker said he believes it even could lead to more Israeli and Palestinian casualties.

“I don’t know if keeping ties will be particularly productive, but I can guarantee dropping ties will not stop attacks,” he said.

Robert Satloff, executive director of the Washington Institute for Near East Policy, disagrees. He advocates cutting ties with the Palestinian Authority, which he said could lead to an immediate drop in violence.

“It is just as likely to decrease violence as it is to increase it,” Satloff said. “There are many Palestinians who will see” how “ill-served they are by the current leadership, and will agitate for a change.”

Satloff says the sanction will not leave the United States short of options in the region. In fact, he says the Bush administration could maintain security talks with the Palestinians while avoiding talks at a senior political level.

“The foreseeable future is bleak,” Satloff said. The best option for the United States, he believes, is to begin preparing for the post-Arafat era.

Many believe the Bush administration should work on two tracks at once, developing post-Arafat contingency plans while still maintaining a dialogue with Arafat.

Administration officials also are considering more moderate options, including suspending the mission of U.S. envoy Anthony Zinni, placing the Palestinian Authority, the PLO or one of its constituent groups on the State Department’s list of foreign terrorist organizations, closing the PLO’s Washington office or cutting aid to the Palestinian territories.

Officials close to the decision-making process say the administration is leaning toward ending Bush’s and Vice President Dick Cheney’s contact with Arafat, but allowing Powell and other officials to remain engaged. No decisions are expected until Israeli Prime Minister Ariel Sharon arrives in Washington next week.

One major question dividing opinion-makers is whether Arafat can control the violent factions in the West Bank and Gaza Strip. Those who say Arafat is still relevant believe the United States must do more to push him to crack down on violence, and believe that cutting ties will have the opposite effect. Those who believe Arafat wields

MIDEAST FOCUS

Female bomber linked to Fatah

The woman who carried out Sunday's terror bombing in Jerusalem was linked to Yasser Arafat's Fatah movement. Palestinian sources identified the woman as Wafa Idris, a resident of the Al-Amari refugee camp near Ramallah. They said she was associated with the Tanzim, the Fatah militia.

According to relatives, Idris was a paramedic who had been hit three times by rubber bullets fired by Israeli soldiers. She yearned for martyrdom, relatives and friends said. Israeli police have not yet determined whether Idris intended to blow herself up — which would make her the first female suicide bomber in the intifada — or to plant the bomb somewhere and then escape.

Iran denounces Bush charge

Iran rejected President Bush's charges that it supports terrorism and is trying to acquire weapons of mass destruction.

"We reject the U.S. accusations, and we think that the world will not tolerate the hegemony of the U.S.," Iranian Foreign Minister Kamal Kharrazi said Wednesday in reaction to comments in Bush's State of the Union address. "The U.S. president should offer proof to support his allegation. Repeating the usual accusations will not help him."

In stark contrast to the signs of cooperation during the first weeks of the U.S.-led war on international terrorism, Bush's latest comments about Iran reflect a new hardening of the administration's stance toward Tehran.

Israel calls for talks with Syria

Israel is ready to resume peace negotiations with Syria, according to Israel's defense minister. Benjamin Ben-Eliezer said he conveyed the message during a meeting Wednesday with Egyptian President Hosni Mubarak in the Sinai resort of Sharm el-Sheik.

little power believe that, if he is so weak, there's no point in conducting a dialogue with him. They argue that by cutting the U.S. Agency for International Development's financial aid to the Palestinians, the Palestinian Authority will be weakened.

"The process toward real reconciliation is to force the Palestinian people to rethink their leadership and bring to the forefront people who desire real peace," said Morton Klein, national president of the Zionist Organization of America. His group has taken out ads featuring more than 60 Jewish and Christian leaders calling on Bush to cut ties to Arafat and the Palestinian Authority.

Klein said he believes U.S. action could lead the European Union and other countries to withhold aid from the Palestinian Authority, and the lack of money ultimately could drive Arafat from power.

"People will demand pragmatic leadership," he said.

But one American foreign policy adviser working with Palestinian officials said he believes a full break will marginalize people within the Palestinian Authority who are working toward peace.

"It will cause more chaos, with the distinct possibility that real extremists get a lot of power," the official said. "It will remove what few restrictions are in place" for terrorist organizations, and give Arafat nothing positive to work for.

"There will be no one in our corner at all," he said. "It will weaken the people working for the Oslo agenda," he said, referring to the now-moribund peace process.

Support for cutting ties has risen in recent weeks, mostly since Israel's seizure on Jan. 3 of a Gaza-bound ship filled with 50 tons of weapons.

The shipment allegedly had been coordinated by the Palestinian Authority, Iran and Hezbollah.

In a letter to Secretary of State Colin Powell last week, Rep. Eliot Engel (D-N.Y.) urged the State Department to designate the Palestinian Authority a terrorist organization. Other lawmakers are considering legislation that would require the president to determine if the Palestinian Authority is complying with the Oslo agreements Arafat signed in 1993, and impose sanctions if it is not.

Rep. Gary Ackerman (D-N.Y.), who sponsored the Middle East Peace Commitments Act in the House, said he believed that a full cut in ties may not curb violence, but it won't increase it.

"The carrot approach has not worked," Ackerman said. "Now we're going to give" Arafat "the stick. The Palestinians only react if they have to." □

Sharon approves security plan to protect Jerusalem from terror

By Naomi Segal

JERUSALEM (JTA) — Prime Minister Ariel Sharon has approved a plan designed to increase security in Jerusalem.

Aimed at preventing Palestinian terrorists from carrying out attacks in the city, the plan approved Tuesday calls for construction of security walls, fences and ditches to separate Jerusalem's outlying neighborhoods from areas under Palestinian control.

There will be no physical walls within the city, where new measures will include checkpoints and the installation of video cameras.

Earlier reports suggested that the plan would include walls within the city limits.

"There will be no walls or separation fences between Jerusalem neighborhoods," said Public Security Minister Uzi Landau, who, along with Sharon, is sensitive to the political implications of appearing to divide Jerusalem's eastern and western neighborhoods. Sharon called the plan "an essential element in securing Jerusalem."

He stressed that the city would be treated as a whole, and "include Jewish and Arab neighborhoods as one."

The plan was approved after Jerusalem was the target of two terror attacks during the past week, and eight since the Palestinian intifada began 16 months ago.

The plan was drafted by the head of the National Security Council, Maj. Gen. Uzi Dayan, and Jerusalem Police Chief Mickey Levy.

Asked whether a security plan aimed at blocking terrorist infiltration was relevant when defense officials warn of possible Palestinian rocket attacks on Israeli cities, Landau said, "What is essential is our complete security control over all the area." □



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JEWISH WORLD

Jewish groups worry that budget will downplay domestic concerns

By Sharon Samber

WASHINGTON (JTA) — With President Bush about to unveil a budget proposal focused heavily on anti-terrorism efforts, some Jewish groups are concerned about the budget's impact on local social services and other domestic priorities.

"We are approaching this budget with some anxiety," said Diana Aviv, vice president of public policy for the United Jewish Communities, the umbrella organization of the Jewish community's federation system.

Aviv and others say the organized Jewish community stands behind Bush's anti-terrorism efforts, but they still worry about the effect on social services such as housing for the elderly and food programs for the disadvantaged.

The president is scheduled to present his budget to Congress on Monday.

With months to go before a final budget is approved — the House and Senate will have to pass their own plans, which will then need to be reconciled with Bush's proposal — the final budget numbers are far from certain.

And this year's budget battle might be messier than usual given that it is a congressional election year and politics could exacerbate the gridlock on Capitol Hill.

Still, the White House already has indicated its intent to spare no expense on the war against terrorism.

The homeland security budget could cost as much as \$38 billion per year, a \$10 billion "war reserve" might be used to help fund active military operations, and Bush also proposed a 15 percent increase to the Defense Department's budget.

The administration's determination to fight terrorism abroad could mean an increase in the overall budget related to international affairs, which has the support of groups such as the pro-Israel lobby, the American Israel Public Affairs Committee.

Pro-Israel activists expect the president's budget to include full funding to the Jewish state — \$600 million in economic assistance and \$2.1 billion in military aid.

They also anticipate that increased funding in counter-terrorism measures could bring about more joint U.S.-Israel anti-terrorism projects and cooperative defense programs. At the same time, money spent on domestic programs is expected to drop, perhaps 5 percent to 7 percent.

"There will be a need to limit the growth, to increase spending more slowly, if you will, on many of the issues on the domestic home front — recognizing that for the last several years there have been major increases in many of these domestic accounts," Ari Fleischer, the White House press secretary, said last week.

Still, the administration has made clear that it wants to be recognized for some efforts on the domestic front.

Among the domestic areas the administration is expected to include in the budget:

- Details of a White House plan that calls for restoring food stamps to poor legal immigrants, a move that was applauded by many Jewish activists;
- Prescription drug coverage for low-income seniors; economic stimulus proposals, including some that promote job growth; and
- a plan for education tax credits for private schools that could raise concerns among those Jewish groups who are fearful of government support for religious schools and might only agree to credits for school supplies and not tuition.

The question, of course, is how do you pay for all of this in light of the wartime needs? And what could sizeable cuts in domestic spending mean?

The cuts could be very troubling and have large ramifications, said Aviv, who heads the UJC's Washington Action Office.

Cuts in the \$1.7 billion Social Services Block Grant, for example, could have far-reaching and varying effects in different communities.

Since states decide how to allocate the money from the grant, it could mean cuts in anything from food programs to senior programming in Jewish community centers, she said.

The federal government is projecting a \$100 billion deficit, but it is not restrained by balanced budget requirements, as is the case with states.

Most states, too, are facing deficits and would have difficulty picking up spending where the federal funds left off. □

Lithuania hands over Torahs

Lithuania gave Israel hundreds of Torah scrolls saved from the Holocaust.

"At the same time that Lithuanians were killing and murdering, there were Lithuanians who put their lives at stake in order to save these remnants of what was Lithuanian Jewry," Israel's deputy foreign minister, Michael Melchior, said at a ceremony Wednesday in Vilnius, the country's capital.

The transfer came after six years of controversy over the scrolls' rightful ownership. After the scrolls are transferred to Israel, experts will determine how many remain complete after being confiscated by the Nazis and concealed for decades by the Soviets.

Austrian survivors get benefits

Austrian Jewish Holocaust survivors soon will receive social welfare benefits. The Austrian Parliament voted Wednesday to begin paying in March nursing care and pension benefits to Jews who were expelled from the country, fled from the Nazis or left Austria after surviving the Holocaust.

The payments, valued at \$100 million and to be paid over 10 years, had been held up because of U.S. class-action lawsuits against the Austrian government. Austrian lawmakers agreed to separate the welfare benefits from other restitution issues, which will not be paid until there are no further lawsuits.

Jews, Catholics call for unity

Jewish and Catholic leaders from across Europe called on the world's religious leaders to unite against racism, anti-Semitism and terrorism. In a statement issued at the end of a three-day conference in Paris, Catholic leaders reaffirmed their rejection of anti-Semitism: "Christianity can, and must, never be used to justify violent words or actions against Jews."

Pope John Paul II was praised in the statement for his many gestures toward reconciliation between Catholics and Jews, especially his 2000 pilgrimage to the Holy Land.

Some participants had predicted the meeting might end with the announcement of a new Jewish-Catholic commission to study the Vatican's wartime actions, after the first panel was disbanded last year, but this did not occur.

S. Africa rabbi backs aliyah effort

The chief rabbi of South Africa is supporting the Jewish Agency for Israel's effort to increase aliyah from the nation.

In a message to rabbis across the nation, Rabbi Cyril Harris encouraged them to inform their congregations during Shabbat services of the increased basket of benefits the Jewish Agency is offering olim from South Africa.

Journalist's fate tied to claims he worked for Israel's Mossad

By Matthew E. Berger

WASHINGTON (JTA) — Israeli officials are angrily dismissing claims that The Wall Street Journal reporter abducted in Pakistan works for the Mossad, Israel's foreign intelligence service.

The presumed Pakistani kidnapers of Daniel Pearl said Wednesday they would kill him within 24 hours because they believe he is affiliated with the Mossad.

Mark Regev, spokesman for the Israeli Embassy in Washington, called the claims "ridiculous," "rubbish" and "totally unfounded."

"There are some people who will say that Israel and the Jews are behind every calamity," he said.

"We have interrogated Mr. D. Pearl and have come to the conclusion that contrary to what we thought earlier, he is not working for the CIA," the kidnapers wrote in an e-mail sent Wednesday to Western and Pakistani news organizations.

"In fact, he is working for Mossad, therefore we will execute him within 24 hours unless America fulfills our demands."

E-mails sent from men claiming to be holding Pearl since last week previously accused the journalist of working for the CIA.

Included in the message was a warning for other American journalists to leave Pakistan within three days or become a target.

The kidnapers are threatening to kill Pearl unless their demands, including the freeing of all Pakistani detainees held by the United States in connection with the war against terrorism, are met. The e-mails have been sent along with pictures of Pearl, and the threats are being taken seriously. The group calls itself the National Movement for the Restoration of Pakistani Sovereignty.

State Department officials said they have been working with Pakistani authorities to try to obtain Pearl's release.

On Wednesday, Pakistan officials said they had arrested Sheik Mubarak Ali Gilani, the leader of a small Muslim fundamentalist group whom Pearl was apparently attempting to interview.

The White House on Wednesday said it had no new information on Pearl. American Jewish officials are reluctant to comment on Pearl, worried that any statements might further endanger him.

"It's easy to scapegoat and rally people behind that charge," said Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations.

"Once you accuse him of being a CIA agent, the American government knows he is or he isn't," said Hoenlein, who knows Pearl. "Once you accuse him of being a Mossad agent, it's their word against Israel's denial."

Jewish officials originally believed that Pearl's capture was unrelated to the fact that he is Jewish, until his captors tried to link him to Mossad.

"It's part of the same sick conspiratorial lunacy that blames Mossad and Israel for the destruction of the World Trade Center and the Pentagon," said Abraham Foxman, the national director of the Anti-Defamation League. "We hope and pray that rational minds will prevail and see the wrong of their assumptions, and that he will walk out of there in safety."

Gilani reportedly had ties to Richard Reid, the man accused of attempting to ignite an explosive device in his shoe aboard an American airplane last month. Pearl, 38, is the paper's South Asian correspondent and lives in Karachi with his wife, Mariane Pearl, a French freelance journalist who is six months pregnant.

In a prepared statement released this week, The Wall Street Journal said Pearl was a U.S. citizen born in the United States, has been a working journalist all of his adult life and is not an agent of any government or agency.

"His writing has always been respectful of Islam and the people of Pakistan," the Journal statement said.

The Wall Street Journal's managing editor has sent an e-mail to the same address the kidnapers are using, pleading for his safe return. On Wednesday, the paper said, "Mr. Pearl, a U.S. citizen born in the U.S. and a working journalist all of his adult life, is not an agent of any government or agency. He is a reporter for us — nothing more or less."

Pearl, who was born in Princeton, N.J., has been working for The Wall Street Journal since November 1990, where he started covering transportation and telecommunications in the Atlanta and Washington bureaus.

He moved to the Journal's London bureau in 1996 to write about the Middle East. Three years later he moved to Paris, where he continued to write about the Middle East, and then moved to the Journal's Bombay bureau in December 2000.

Two days before he was abducted, Pearl co-wrote a piece with another Journal reporter about Pakistan removing Islamic groups from the disputed region of Kashmir, the area claimed by both India and Pakistan. □

(JTA correspondent Sharon Samber in Washington and JTA staff writer Rachel Pomerance in New York contributed to this report.)

Swiss Jews prepare for fight over right to kosher slaughter

By Fredy Rom

BERN (JTA) — Switzerland's Jewish community is gearing up for a fight with an animal rights group that wants to bar Jewish ritual slaughter.

Shortly after the government launched a campaign to end a century-old law barring ritual slaughter, the Swiss Animal Association has called for a referendum on the issue.

In addition, the referendum would ask Swiss citizens whether the import of kosher meat should be barred.

According to the latest poll, 76 percent of the population would support the twin bans if the referendum were held today.

Shechita, or Jewish ritual slaughter, is widely believed to be a humane form of slaughter. Most European countries — with the exception of Switzerland and Sweden — permit shechita.

Animal rights groups, who have lobbied actively on the subject, long have threatened to seek a national referendum if the government allows shechita.

Swiss Jewish leaders reacted with indignation to the proposed referendum. "I have the feeling that the initiators of the referendum want all Jews to leave the country," Thomas Lyssy, vice president of the Federation of Jewish Communities in Switzerland, told the Swiss daily newspaper *Blick*.

If the referendum passes, he told Swiss Television, "religious Jews would be able to live here only if they become vegetarians — or they would have to emigrate to another country."

The issue has prompted an anti-Semitic backlash in a country that has experienced such backlashes in recent years, after Switzerland came under international pressure to settle a variety of Holocaust-related claims. □