Vol. 81, No. 214

Wednesday, November 19, 2003

86th Year

## TOP NEWS IN BRIEF

### Ford to stop funding hate

The Ford Foundation admitted it erred in funding anti-Israel groups and pledged to stop funding anti-Semitic activities. [Page 1]

### Deadly ambush ends calm

A Palestinian gunman killed two Israeli soldiers in an ambush outside Bethlehem. The deaths early Tuesday ended months of relative calm in the grea.

Security sources said the gunman who struck at the checkpoint outside the West Bank city on Tuesday managed to get close to the soldiers by hiding his rifle in a rolled-up prayer carpet. He fled toward Palestinian Authority territory after firing the fatal shots.

The dead Israelis were identified as Sgt. Maj. Shlomi Belski, 23, of Haifa, and Staff Sgt. Shaul Lahav, 20, of Kibbutz Shomrat. Hours after the shooting, the military announced it was reintroducing some restrictions it recently had lifted on the Palestinjan populace in the area.

### Istanbul bombing victims buried

The six Jewish victims of Saturday's twin synagogue bombings in Istanbul were laid to rest.

The Jewish victims of the attacks, which killed 24 people, were buried next to the 22 victims of a 1986 bombing at Istanbul's Neve Shalom Synagogue. The coffins of the six killed Saturday were draped in Turkey's flag.

### Making that Holocaust-era claim

The German government dropped its opposition to the recovery of valuable Jewish property in Berlin.

The German government withdrew its appeals of a court decision awarding the Claims Conference rights to a set of properties belonging to the Wertheim family in the Berlin area. The properties are estimated to be worth several hundred million dollars. The family, which owned department stores in Germany before the war, largely was annihilated in the Holocaust.

Before it can recover the property, the Claims Conference still must overcome a competing claim by the Karstadt company. If recovered, the properties or the proceeds of their sale would go into the Claims Conference's Goodwill fund, from which 80 percent goes to the asset's heirs and 20 percent stays with the organization, according to Gideon Taylor, the group's executive vice president.

# Ford announces new funding guidelines as it admits to aiding anti-Israel groups

By Edwin Black

WASHINGTON (JTA) — In a sudden reversal, the Ford Foundation has admitted it erred in funding anti-Israeli Palestinian groups and has vowed to establish tough new guidelines to stop its funds from being used for anti-Semitic activities.

The group said it was "disgusted" by anti-Israel and anti-Semitic agitation action taken at the 2001 U.N. Conference Against Racism in Durban, South Africa, which the foundation helped finance.

"We now recognize that we did not have a clear picture of the activities, organizations and people involved," conceded Ford president Susan Berresford in a Nov. 17 letter to U.S. Rep. Jerrold Nadler (D-N.Y.).

In addition to establishing new funding guidelines, the foundation's letter said the group promises to cease financing pivotal anti-Israel groups and even recover funds where the grant's intent was violated.

Ford's wide-ranging announcement was detailed in a five-page letter to Nadler. Nadler had circulated a petition signed by 20 members of Congress demanding that Ford halt its funding of anti-Israel hate groups.

Nadler's petition and Ford's letter came in the wake of a JTA investigative series that documented how Ford grantees were using the prestigious foundation's money to foment virulent anti-Israel and anti-Semitic agitation in the Middle East and worldwide — and in some cases advocacy for armed revolution in Israel.

The series prompted immediate congressional calls for an investigation by Nadler, Sen. Rick Santorum (R-Pa.) and Sen. Charles Grassley (R-Iowa), the chairman of the Senate Finance Committee.

There were also indications from the IRS, State Department and Justice Department that officials would review Ford's funding.

In her letter to Nadler, Berresford wrote, "Recent media stories have raised questions about the conduct of certain Palestinian grantees who participated in the 2001 U.N. World Conference Against Racism in Durban, and the adequacy of the Foundation's oversight of grantees. In response, Foundation officers and trustees have discussed these stories with concerned individuals, making clear the numerous steps that the Foundation takes to ensure the proper use of its funds."

"Having reassessed our own information on the Durban Conference," the letter said, "and in continuing talks with others, we now recognize that we did not have a complete picture of the activities, organizations and people involved. Although some Ford-supported grantee organizations repudiated the bigotry they witnessed in Durban, questions remain about others. More troubling still is the fact that many organizations among the large number at the conference did not respond at all."

"We deeply regret that Foundation grantees may have taken part in unacceptable behavior in Durban," the Durban section of the letter concluded.

Nadler and representatives of Jewish groups with whom Ford officials had met after publication of the JTA series praised Ford's response.

But Berresford promised more than just apologies. She pledged to take sweeping new measures to address revelations in the JTA investigation that Ford grantees were openly refusing to sign U.S. government funding guidelines designed to ensure that charitable donations in the Middle East don't end up in terrorist hands. Those guidelines are known as the USAID's Certification Regarding Terrorist Funding.

In the letter, Berresford said Ford regularly checks approximately 4,000 active

## **MIDEAST FOCUS**

### Sharon to meet Qurei

Israeli Prime Minister Ariel Sharon will meet his Palestinian Authority counterpart, Ahmed Qurei, next week. Israeli Foreign Minister Silvan Shalom made the announcement to U.S. Secretary of State Colin Powell during a meeting Tuesday in Brussels.

### Rabbis back marriage solution

Non-Jewish marriages in Israel should be authorized by special Chief Rabbinate officials, Israel's chief rabbi suggested. The idea was raised Monday during a meeting of the Knesset's Immigration and Absorption Committee by Israel's chief rabbis, Shlomo Amar and Yona Metzger, Ha'aretz reported.

But legislator Roman Bronfman said the suggestion was inadequate to solve the problems of immigrants from the former Soviet Union who are not halachically Jewish, adding that he backs efforts to initiate civil marriage in Israel.

At the same meeting, lawmaker Colette Avital reported that only 700 of 2,500 immigrants from the former Soviet Union who have studied at conversion institutes in Israel actually completed their conversions.

### Netanyahu: Recession is over

Israel's recession is over, the country's finance minister said. Benjamin Netanyahu made the comments after Israel's Central Bureau of Statistics announced that Israel's gross domestic product increased by 2.7 percent in the third quarter.

### **Mental state**

One in seven Israelis is clinically depressed, a new study found. The poll of 500 respondents, published Tuesday to mark Israeli Mental Health Week, said that 10 percent of the population feels "life is not worth living," while a full 60 percent showed symptoms of depression. The New Wave polling firm said 13 percent of Israelis could be considered clinically depressed.

# Daily News Bulletin

Howard E. Friedman, President Mark J. Joffe, Executive Editor and Publisher Lisa Hostein, Editor Michael S. Arnold, Managing Editor

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grantees against a State Department list to identify any that might be on the State Department's proscribed list. "To date we have found no matches," the letter said.

But, the letter continued, new measures will help ensure that funds will not be passed through one organization to another, or that Ford grantees use other independent monies to promote violence or terrorism.

In addition, Berresford said, Ford will require additional measures "to make explicit our intolerance for unacceptable activity by any grantee organization."

She said that Ford's standard letter that grantees worldwide must sign to receive Ford funds, "will now include explicit language requiring the organization to agree that it will not promote violence or terrorism. This prohibition applies to all of the organization's funds, not just those provided through a grant from the Ford Foundation. Organizations unwilling to agree to these terms will not receive Foundation support."

The Berresford letter also said that organizations promoting the delegitimization or destruction of Israel would be ineligible for funding.

"Grantees refusing to sign this agreement will not receive Foundation support," the letter said. "We will never support groups that promote or condone bigotry or violence, or that challenge the very existence of legitimate, sovereign states like Israel."

Essentially, the Berresford letter completely reversed the earlier position of its vice president, Alexander Wilde.

In statements and letters to the editor, Wilde had insisted, "We do not believe" that the events at Durban "can be described as 'agitation.' "

In her letter, Berresford said, "Ford trustees, officers and staff were disgusted by the vicious anti-Semitic activity seen at Durban, and we were disappointed that it undermined the vital issues on the meeting's agenda."

"The Foundation has reviewed its own information to establish whether Ford grantees took part in unacceptable, ugly and provocative behavior," she added.

"To ensure that we receive a complete picture of grantees involved in the Durban conference, Foundation officers and outside advisors will seek out attendees whom we, American Jewish leaders and others concerned about anti-Semitism and hate speech think should be heard on these matters."

Promising action, Berresford's letter said, "If the Foundation finds allegations of bigotry and incitement of hatred by particular grantees to be true, in conformance with normal Foundation policy, we will cease funding."

In that vein, Berresford's letter announced that the Foundation "has decided to cease funding LAW, a grantee that has been the subject of criticism."

LAW, whose full name is the Palestinian Committee for the Protection of Human Rights and the Environment, was a special focus of the JTA series. The group was a principal player in the anti-Israel agitation in Durban. An audit concluded it misappropriated millions in philanthropic funds.

On Monday, Berresford had a meeting in her office with Abraham Foxman, the national director of the Anti-Defamation League, who has been active in the effort to address Ford's funding. It was one of several meetings Berresford had with Jewish organizational leaders since the publication of the JTA series.

Nadler, who released the Ford letter Tuesday, praised Ford's response to the revelations, saying the foundation's "leadership outlines a set of important and concrete steps they are voluntarily taking to strengthen oversight of grantees and to utilize the Foundation's considerable international reach and standing to assist in combating global anti-Semitism." He also said he has made it clear to Ford Foundation officials that they must follow through with their commitments. "As we know, actions, not words, will be what count in the end," Nadler said.

For her part, Berresford, through a spokesman, told JTA on Tuesday, "We appreciate the congressman's leadership in working with us to resolve these issues and in helping us to reach out to those who have expressed concerns. We believe these actions are clear steps toward building common ground and a common understanding."

Jewish community leaders applauded Ford's dramatic turnabout.

Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, said, "We look forward to seeing these changes implemented and hope that other foundations that may have engaged in similar conduct will also make the necessary corrections."

## **JEWISH WORLD**

### Is gay marriage a good thing?

The Reform movement's policy arm lauded a ruling declaring unconstitutional Massachusetts' ban on same-sex marriage.

Tuesday's decision by the Massachusetts Supreme Court is a "landmark step toward ensuring the right of gay and lesbian Americans to share in the joys, and privileges, of marriage afforded heterosexual Americans," the Religious Action Center of Reform Judaism said in a statement.

But Nathan Diament, of the Orthodox Union's Institute for Public Affairs, said the ruling "calls into question the consensus in the country on the traditional institution of marriage."

### Indiana Holocaust museum burns

Arson is suspected in a fire that destroyed a small Holocaust museum in Indiana on Tuesday.

The words "Remember Timmy McVeigh," a reference to the Oklahoma City bomber, were found on one of the destroyed walls of the museum in Terre Haute, Ind., The Associated Press reported.

The Children of Auschwitz Nazi Deadly Experiments Survivors Museum, known by the acronym Candles, was founded in 1985 by Holocaust survivor Eva Kor. It contained artifacts from Auschwitz and documents relating to the notorious Dr. Josef Mengele.

### Jury: Cops not liable in killing

A court in New York found that police officers are not liable for the 1999 shooting of a mentally ill Jewish man in Brooklyn.

On Monday, a jury agreed with the city's argument in a civil trial that Gidone Busch lunged at the police with a hammer, and that the officers had no choice but to react. "They're all murderers," Howard Boskey yelled in the courtroom after the verdict.

### Medieval manuscript returned

The U.S. government returned a medieval Hebrew manuscript to Austria's Jewish community.

The 14th-century document returned Tuesday was stolen by the Nazis, and recently was seized by U.S. customs agents before it was to be sold.

#### They're not the Beatles

Czech Jewish leaders called for authorities to ban a Czech rock band whose songs are said to incite hate. The call came following a performance by the rock group Agrese 95 at a private party last weekend.

Tomas Jelinek, chairman of Prague's Jewish community, said the band sang a number of racist songs, including one that suggested torching a synagogue.

Czech police said they took no action because they could not identify the lyrics clearly.

### **BEHIND THE HEADLINES**

# Incoming Canadian prime minister is outspoken critic of anti-Semitism

By Bram Eisenthal

MONTREAL (JTA) — Paul Martin Jr. will become Canada's new prime minister in about four weeks, but he remains a mystery to many Canadians.

Elected last weekend at the leadership convention of Canada's Liberal Party, Martin will replace Jean Chretien when the prime minister retires Dec. 12.

Martin, 65, is not well known among Canadian Jews, though he has been rubbing elbows with Jewish leaders for many years.

The son of the late Paul Martin Sr., a French-speaker from Ontario who made his mark with the Liberal Party during the 1960s, Martin Jr. has followed in his father's footsteps — and gone even further.

Martin Sr. won 10 consecutive elections during a 33-year political career, representing a district in Windsor, Ontario. He served as Canada's health and welfare minister, but twice failed to win the post he wanted most: leadership of the Liberal Party. Now his son has accomplished that goal.

Before being elected party leader, Martin, a fiscal conservative, had made his mark with the Liberals.

As finance minister under Chretien, Martin — a member of Montreal's business elite as the millionaire owner of Canada Steamship Lines — tamed the federal deficit in a landmark 1995 budget. That budget cut spending by approximately \$17 billion over three years, eliminated 45,000 public service jobs and reduced employment insurance benefits and business subsidies.

The moves had a disastrous impact on the nation's social programs, but the public loved the fiscal results.

Now a member of Parliament from Lasalle-Emard in Montreal, Martin is a devout Roman Catholic who attends church regularly and who is said to be impatient, have a fiery temper and be very inquisitive.

He has been married for 38 years and has three grown children.

Martin's curiosity makes him a good choice for prime minister, one Jewish community leader said.

Three months ago, when Martin met with Jewish community leaders over brunch, he expressed an interest in issues related to the Middle East. He asked the community leaders questions about Israel's positions and the position of the Montreal Jewish community.

"We told him that it was time the Canadian government made strong statements regarding the Middle East," said Joseph Gabay, president of the Canadian Jewish Congress, Quebec region.

Gabay said Martin "was very open to us and stated that Israel has the right to live in peace and the duty to protect its citizens. He made it clear that he wants to understand the situation, and proved it by his many questions. I think he has what it takes to be an excellent prime minister, and so do a majority of Canadians."

Observers say Martin isn't shy about is making his views on anti-Semitism clear. Martin spoke at the inauguration of the Montreal Holocaust Museum in June, and has been outspoken on issues of Jewish communal concern, including racism.

Recently, on Martin's Internet journal, or blog, he commented on recent anti-Semitic remarks by Malaysia's outgoing prime minister, Mahathir Mohammad.

"Late last week, I was on the road in Alberta when I heard of comments from Mahathir Mohammad, Malaysia's prime minister, directed at the world's Jewish peoples, that can only be described as hateful, hurtful and deeply offensive," Martin wrote.

"In my view, it is important to speak out against such comments — if for no other reason than to make clear that, from Canada's perspective, this is unacceptable. It is hate-mongering and it should be called out as such without equivocation. For that reason, I was pleased to see the swift reply of my friend Bill Graham, Canada's Minister of Foreign Affairs."

**FOCUS ON ISSUES** 

## Israel's prime minister weighs in as federations decide on funding

By Rachel Pomerance

JERUSALEM (JTA) — While most participants at the North American Jewish federation system's annual conference were happy just to be in Israel this week, the network's decision-makers were grappling with another matter — funding for overseas partners.

The issue has become so contentious, in fact, that Israel's prime minister decided to step in.

In a Sunday afternoon meeting with representatives of the United Jewish Communities committee that decides overseas funding priorities, participants said Ariel Sharon said, "You are my guests, so I am asking you to make Israel your No. 1 priority for funding. If you weren't my guests, I would demand it."

The message comes as the UJC, the federation umbrella organization, prepares to determine allocations to its two main overseas beneficiaries: the American Jewish Joint Distribution Committee, which aids distressed Jews overseas, and the Jewish Agency for Israel, which runs immigration and absorption in Israel and Zionist education worldwide.

It also comes amid increasing concern that local federations, focused more on local needs, are allocating fewer dollars to overseas needs in general — below the allocation recommendations that the UJC's Overseas Needs Assessment and Distribution Committee has been submitting to UJC's member federations.

For decades, the federation system has followed a 75/25 split in funding the Jewish Agency and the JDC, with 75 percent going to the Jewish Agency. With aliyah down, however, ONAD recently recommended allocating an additional \$13 million to the JDC, possibly altering the customary division.

Last year, according to the JDC, the UJC provided it with roughly \$45 million, a few million short of the amount promised.

The Jewish Agency said the UJC provided it with \$143 million, \$20 million short of what was promised.

The General Assembly, which has drawn some 4,000 lay and professional leaders of federations from all over North America, falls between two important developments on the matter. Earlier this month, ONAD issued new overseas recommendations, and a vote on the issue is scheduled for Dec. 8.

Some say Sharon's appeal — essentially for Jewish Agency funding — came at the behest of the agency's chairman, Sallai Meridor. Asked how Sharon's pitch might influence ONAD's decision, the committee chairman, Steven Klinghoffer, said, "It will be interesting to watch how they respond."

He also said that ONAD's recommendations are "not determinative of any kind of outcome," and that more funds for the JDC wouldn't necessarily mean less for the Jewish Agency. "There's a lot of different ways to skin the cat," Klinghoffer said.

One member of ONAD, who spoke on condition of anonymity, said Sharon's remarks were not helpful.

"It was almost like blackmail," she said. "I was truly offended by his remarks." Sharon was "talking to a group of very dedicated leaders in the Jewish community who have never abandoned Israel," she said. "To say that you owe us is not the way to win friends and influence people, as far as I'm concerned."

But Sharon isn't the only one using the gathering of North

Americans to lobby for the Jewish Agency, which ostensibly has more to lose than the JDC in the upcoming ONAD decision.

In his remarks at the Jewish Agency's opening plenary last Friday, Meridor spoke of the "serious challenge" of obtaining enough funds from American Jewry for immigration and absorption in Israel's current economic climate.

He called it "close to a miracle" that the Jewish Agency was bringing some 20,000 immigrants to Israel this year, and claimed that many more are awaiting the chance to make aliyah.

For its part, the JDC says it is not campaigning for funds at the conference. "I'm not lobbying people. Absolutely not," said Steven Schwager, JDC's executive vice president. "The JDC has put its faith in the ONAD process."

He said the 18 communities involved in the ONAD process "will review all the information that has been presented and all of the facts and will consider all of the site visits that they made and will come to a fair and appropriate conclusion."

Still, talk about overseas funding has been a steady undercurrent at the General Assembly, figuring prominently in meetings and in corridor conversation among decision makers.

In addition, delegates spent the day Tuesday visiting a variety of programs throughout the country, from social-service programs for new immigrants to educational programs, many of which get at least part of their funding from the North American federation system via the Jewish Agency or the JDC.

At a meeting of the UJC's board of governors and delegate assembly on Monday, the group pledged to continue funding its overseas beneficiaries and to "increase its efforts in the advocacy for allocations in support of overseas needs."

This appeared to be a nod to the common gripe that the system doesn't push hard enough for funds for its overseas partners.

Some fault the federation system for allegedly establishing a competition between the JDC and the Jewish Agency and failing to create an overseas advocacy committee to secure enough funds for both groups.

Klinghoffer admits that the process is fraught with "friction and difficulty" and "political land mines," but says it is "designed to meet the needs of the Jewish people throughout the world."

Indeed, at the last meeting of the UJC's executive committee, in Chicago in September, board chairman Robert Goldberg called ONAD a "failure."

ONAD was created when the Council of Jewish Federations, the United Jewish Appeal and the United Israel Appeal merged to form the UJC four years ago. The establishment of ONAD was an attempt to reverse a trend of decreased giving to overseas needs.

That hasn't happened, however. The system has delayed establishing an advocacy committee to encourage federations to give to the UJC's overseas partners. And because several federations did not comply with ONAD recommendations, the UJC has fallen short on the amount it planned to provide the groups.

That has caused the JDC to do its own advocacy work: Schwager has visited individual federations around North America, encouraging them to allocate more for overseas needs.

Some observers say the ONAD process has cost the UJC dearly in terms of the time and energy of its professionals and the financial strain on its overseas agencies.

ONAD was scheduled for an initial review after five years, a juncture that is quickly approaching. Some say it's simply a matter of making overseas needs a priority. Others anticipate reform, if not a complete overhaul, at that time.