

IN THE NEWS

Bush avoids Israel in State of the Union

President Bush did not mention the Israeli-Palestinian conflict in his State of the Union speech. Bush had contemplated addressing the issue in his speech to Congress on Tuesday but is frustrated by the stalled peace process and has postponed any major policy initiative until later this year, his aides said.

In their response to the president, Democrats assailed Bush for allegedly abandoning the issue.

"Instead of the diplomatic disengagement that almost destroyed the Middle East peace process and aggravated the danger posed by North Korea," House Minority Leader Nancy Pelosi (D-Calif.) said, "let us seek to forge agreements and coalitions so that, together with others, we can address challenges before they threaten the security of the world."

State Dept.: Fence is in report

The U.S. State Department's annual human-rights report will criticize Israel's West Bank security barrier.

Israeli officials had attempted to persuade the United States not to address the fence in the report. A U.S. official said the criticism would be "soft" and would take into account Israel's security concerns.

An element in the decision to tone down the criticism was a suicide attack on the Gaza Strip border last week that killed four Israelis, the official said.

Wolf back to the Middle East

Two top U.S. envoys will return to the Middle East to meet with Israelis and Palestinians.

John Wolf, President Bush's envoy in the region, and David Satterfield, the assistant deputy secretary of state for Near East affairs, will travel to the region within weeks, a State Department official said.

WORLD REPORT

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As N.Y. federation balks, dispute reopens on UJC's overseas funding

By RACHEL POMERANCE

NEW YORK (JTA) — A controversial decision on funds for the North American Jewish federation system's overseas partners, which appeared to have been settled last month, has been reopened after a major federation had second thoughts.

After an intensive two-year review, the United Jewish Communities' Overseas Needs Assessment and Distribution Committee, known as ONAD, agreed Dec. 8 to maintain the current split in funding between the Jewish Agency for Israel, which runs immigration and absorption in Israel and Zionist education worldwide, and the American Jewish Joint Distribution Committee, which operates relief and welfare programs.

Under a compromise agreement, the federation system agreed to transfer \$144 million — or 75 percent — of an expected \$187 million to be raised next year for overseas needs to the Jewish Agency. The remaining \$43 million would go to the JDC.

The committee also agreed to raise an additional \$20 million to divide evenly between the two groups.

But now the UJC has decided to remove a resolution approving the ONAD decision from the agenda when the organization's board of trustees holds its winter meeting next week, following opposition from the UJA-Federation of New York. The New York federation's move threatens to upset the Dec. 8 agreement.

Some federations have ignored ONAD funding recommendations to fund their own overseas projects or spend more dollars locally.

The creation of the UJC umbrella organization, formed in 1999, was designed in large

part to reverse declining overseas allocations.

The New York federation's opposition will test the UJC's effectiveness as ONAD seeks to resolve the issue.

UJC's CEO and president, Stephen Hoffman, sought to downplay the move.

"We're not finished processing ONAD," he said. "On the 8th we had agreement on the outline of the declaration. We're putting words to it, and we're not finished. That's all."

A letter drafted Jan. 9 by New York federation leaders, but never sent, said more analysis was needed on the issue. JTA obtained a copy of the draft.

The draft letter criticized the popular argument that moving money away from Israel weakens federations' commitment to the Jewish state. It also criticized the

proposal to reduce federations' elective funding for their preferred overseas projects and the promise to boost overall overseas funding — a goal New York finds unrealistic.

"We intend to move to table the ONAD resolution at the meeting of the board. If such a motion is judged to be 'out of order' because of the UJC bylaws regarding ONAD, we will cast a negative vote and encourage other Federations to join with us," said the draft letter from New York's federation president, Larry Zicklin, Board Chairman Morris Offit and Executive Vice President and CEO John Ruskay.

It's unclear how many communities back New York's move. Of the 18 communities represented on ONAD, only Boston opposed the Dec. 8 vote. The four "large-intermediate" communities represented abstained.

The size and sway of the New York federation are sure to influence the process.

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**FOCUS
ON
ISSUES**

Gephardt bows out, and Jews lose a friend

By MATTHEW E. BERGER

WASHINGTON (JTA) — The political career of one of Congress' strongest advocates for Jewish concerns may be over.

Rep. Richard Gephardt (D-Mo.), who served as Democratic leader in the House from 1989 to 2002, ended his presidential bid Tuesday, a day after he captured only 11 percent of the vote and finished a disappointing fourth in the Iowa caucuses, which he won in 1988.

"Today my pursuit of the presidency has reached its end," Gephardt said Tuesday in a tearful press conference in St. Louis. "I'm withdrawing as a candidate and returning to private life after a long time in the warm light of public service."

Gephardt, 62, previously had announced that he would not seek re-election to the U.S. House of Representatives, thus ending a Washington career that began when he joined the House in 1977.

"A lot of Jewish Democrats are quite saddened by the apparent end of Dick Gephardt's political career," said Ira Forman, executive director of the National Jewish Democratic Council. "He was always a friend, not just on domestic issues, but on Israel."

Gephardt always was considered a friend on Middle East matters, but Jewish officials in Washington said he became a leader on behalf of Israel in recent years. Gephardt was the highest-ranking

congressional official to speak at an April 15, 2002, solidarity rally for Israel at the Capitol.

"We cannot stand on the sidelines as the prospects for peace are undermined," Gephardt told the crowd. "We must not waver in our commitment to those — Israelis and Arabs alike — who have chosen the path of peace."

In his withdrawal speech Tuesday, Gephardt mentioned reducing U.S. dependence on Persian Gulf oil as a goal for his final year in Congress.

On domestic issues, Jewish supporters said they cannot remember an issue in which Gephardt and a majority of the Jewish community diverged. As the Democratic leader, Gephardt often would hold strategy meetings in his office to plot a path for passage of the Hate Crimes Prevention Act, bringing together Jewish and other civil rights organizations.

"I think in general he had a sensitivity for issues that were of concern to us," said Jess Hordes, Washington director of the Anti-Defamation League. "Gephardt was someone you could go to whenever the Jewish community had an issue."

In his hometown of St. Louis, Gephardt

met over brunch with Jewish community leaders three to four times a year, for 15 years.

Michael Newmark, a past chairman of the Jewish Council for Public Affairs, recalls meeting with Gephardt, then a young lawmaker, to ask for his support on Soviet Jewry issues. Gephardt smiled and said that he and his wife, Jane, already had been active on the issue.

"He did it without anyone asking him, because it was the right thing to do," said Newmark, who also serves as Gephardt's personal attorney.

Gephardt's 1988 presidential campaign, in which he won Iowa but

then ran out of money and dropped out, helped propel him onto the national stage and position him to become majority leader a year later.

Hordes said Gephardt often would play two roles on policy issues: at times serving as an early advocate and, because of his leadership role, moving along policy issues and helping to bring them to the House floor for votes.

Gephardt stepped down as minority leader in 2002, in part because of Democratic losses in the House, but also to concentrate on his presidential ambitions. ■

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Ira Forman
National Jewish Democratic Council

■ UJC overseas funding dispute reopened

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"I think that New York's input is extremely significant, and I think the ONAD committee has to discuss New York's concerns," said Max Kleinman, executive vice president of United Jewish Communities of Metrowest, in New Jersey.

Some say that federation leaders' hesitation on such a major decision reflects the system's weakness.

"The only way UJC can be successful is if the best federations, having voted for a resolution, support their vote with their actions," said Richard Wexler, vice chairman of UJC and chairman of the North American council of the Jewish Agency. "The best way to assure failure is to walk away from the votes you've made."

Others call the process normal and

healthy.

"There's never been any decision made in the federation system that somebody doesn't have another thought about later," Hoffman told JTA.

In any case, the debate over overseas allocations remains one of the most persistent in the federation system. The latest development only underscores the protracted politics over the dollars and programs at stake.

"Round 1 to Ruskay," one federation insider said.

For many federation officials and activists, the ability to raise funds from federations throughout North America for needy Jews abroad represents the common goal of a system that, after four years, still is seeking to establish itself. ■

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Corruption scandals threaten Sharon

By DAN BARON

TEL AVIV (JTA) — Ariel Sharon's two sons, Gilad and Omri, have been an inseparable feature of his political career, serving as counselors and secret emissaries for the Israeli prime minister.

Now those family ties could cost Sharon his job.

After a year of leaks and speculation, the Justice Ministry on Wednesday charged David Appel, a property developer and Likud Party stalwart, with bribing Gilad Sharon to help secure a deal to buy a Greek island to develop a tourist resort.

The alleged payoff and its timing — payments in the late 1990s that may have been as much as \$3 million — led prosecutors to wonder whether Ariel Sharon, then foreign minister, helped Appel with the island deal to repay the alleged largesse to Sharon's son, or whether even Sharon himself benefited from the money in his 1999 race for the Likud Party leadership.

Sharon and Appel have denied any wrongdoing in the case.

Justice Minister Yosef "Tommy" Lapid emphasized that the charges filed Wednesday against Appel do not implicate Sharon or Industry and Trade Minister Ehud Olmert — also named as an alleged bribery target — in any wrongdoing. But Israel's

Channel Two television quoted State Attorney Edna Arbel as saying that Sharon and his son could be charged within two weeks for taking bribes.

In any case, Israel's political opposition smells blood.

"This is an earthquake," Labor Party secretary-general Ofir Pines-Paz told reporters. "Sharon should have resigned long ago, and must do so now."

But sources in the Prime Minister's Office said Sharon was going about his duties as usual.

"Arik will never quit," a Sharon confidant told JTA, using Sharon's nickname. "They have been seeking his head for decades, and he always came out on top. Those who want him out in his second term will see him go on into a third term."

Israel's next elections are scheduled for 2007. A 75-year-old former war hero, Sharon has enjoyed broad popularity for his handling of the Palestinian intifada, now more than three years old.

But Sharon's popularity has suffered from allegations of financial corruption connected to his family and party. Recent polls show that most Israelis would want Sharon to step down if misconduct is proven.

Wednesday's charge, filed in Tel Aviv

District Court, is the latest in a series of scandals surrounding the prime minister.

Omri and Gilad Sharon also are suspected of taking an illicit \$1.5 million loan from a South African friend to use as collateral against contributions made to their father's campaign chest in the 1999 Likud Party primaries.

Additionally, while Sharon was infrastructure minister in the 1990s, Appel is accused of seeking his help to get cut-rate development rights to government-controlled lands in central Israel.

Omri and Gilad Sharon have refused to cooperate with investigators, claiming their right to avoid self-incrimination. Twinned with the prime minister's failure to publicly respond to the charges, some in Israel believe there are too many black sheep behind the high fences of the Sharon family ranch in southern Israel.

Critics of the prime minister, noting that the judicial process can take months or years, expressed concern that the scandal could taint Israel's position in the international community and hamper its efforts to resolve the conflict with the Palestinians.

"I urge the prime minister to come out and give his version," Labor leader Shimon Peres told Channel One television. "This is not a legal matter; it is a matter of statesmanship."

Last stage of AMIA trial begins in Argentina

By FLORENCIA ARBISER

BUENOS AIRES (JTA) — Nearly 10 years after a devastating bombing at this community's central Jewish institution, the prosecution is presenting its closing statements in the AMIA bombing trial.

As this crucial stage of the trial got under way Monday, demonstrators gathered outside the courthouse to demand justice in the case.

Inside, three main groups — representatives of AMIA; the DAIA political umbrella group for Argentine Jews, and Familiares de las Victimas, a group representing relatives of 40 victims of the bombing — demanded life sentences in prison for the five accomplices being tried for the 1994 attack: car mechanic Carlos Telleldin and four former police officers.

The July 18, 1994, bombing at the AMIA center in Buenos Aires killed 85 people and wounded 300.

"The end of impunity is starting now," said Abraham Kaul, AMIA's president.

The trial, which has gone on for 28 months, dealt primarily with the local connection to the attack. The international connec-

tion to the attack is still under investigation.

Jewish officials long have maintained that Iran was behind the bombing and that then-Argentine President Carlos Menem was paid a multimillion-dollar bribe to cover it up.

Last week, a group called Memoria Activa, which represents four victims' relatives, presented an argument that accused Telleldin but not the former police officers.

Memoria Activa charged that the investigation contained serious mistakes and dismissed the participation of the former police officers.

But Carolina Fernandez Blanco, one of the AMIA lawyers, told JTA that AMIA, DAIA and Familiares de las Victimas were "absolutely convinced of the four police officers' and the car mechanic's involvement in the attack."

"We believe the state has to be investigated" for impeding the judicial process, Fernandez Blanco said. "But here, we are judging people. We will accuse the state at the proper place after we end this process."

AMIA and DAIA officials opted not to talk to members of the media, instead giving victims' relatives a chance at the microphones.

NEWS IN BRIEF

NORTH AMERICA

Improved access for religious workers

Foreign religious workers will face fewer hurdles in obtaining visas under new U.S. government rules.

Previously, the religious worker program required such workers coming to the United States from abroad be affiliated with a specific church, mosque or synagogue. Jewish organizations that typically don't affiliate with a particular synagogue suffered under the rules and could not hire qualified Jewish religious workers, according to the Hebrew Immigrant Aid Society.

The government's new rules stipulate that religious organizations must prove they operate for religious purposes in order to sponsor religious workers.

Religious leaders decry anti-Semitism

Catholic cardinals and Jewish rabbis meeting in New York blasted anti-Semitism as a "sin" and urged closer interreligious ties.

An unprecedented high-level international meeting of 12 bishops, six chief rabbis and assorted scholars in New York on Tuesday echoed Pope John Paul II in calling anti-Semitism "a sin against God and humanity."

The two-day conference, sponsored by the World Jewish Congress, included several cardinals seen as candidates to succeed the ailing pope.

Anti-Israel talk at King event

An Israeli official and a Canadian Jewish leader walked out of an event in Montreal honoring the Rev. Martin Luther King Jr.

Israel's consul general in Montreal, Marc Attali, said he walked out of Monday night's event to protest a speech by Yahya Abdul Rahman, editor of the Montreal Muslim News Network, the Montreal Gazette reported. Rahman began his speech by referring to the death of Tom Hurndall, a British pro-Palestinian activist who was fatally wounded by an Israeli soldier in April.

Attali and David Birnbaum, executive director of the Canadian Jewish Congress, both later returned to the event at the Union United Church.

Site: Israel 'smelly'

A New York politician called for the removal of a travel article on an AOL Web site that calls Israel "smelly."

The article, found on an AOL site that features articles by the Lonely Planet travel guide, warns travelers seeking spirituality in Israel that they may be disappointed by a "smelly" and "noisy" country that is "as capable of squeezing a tacky tourist buck out of the sacred as any US bible-belt town." Calling the article "offensive" and "degrading," New York State Assemblyman Dov Hikind wrote to AOL asking it to remove the article and apologize.

An AOL spokeswoman expressed regret but said the company is not legally responsible for third-party content, including the Israel feature.

Pope's Gibson plug debated

An aide to Pope John Paul II denied reports that the pontiff endorsed Mel Gibson's controversial new Jesus movie.

The Catholic News Service quoted a close friend of the pope's, Archbishop Stanislaw Dziwisz, as saying the pope "told no one his opinion of this film," the Hollywood entertainment trade paper Variety reported. A Wall Street Journal commentary about Gibson's upcoming film "The Passion of Christ," which details Jesus' final hours in gory detail, said the pope recently saw the movie and said, "It is as it was."

MIDDLE EAST

Death in Gaza

Israeli troops reportedly killed a Palestinian woman in the Gaza Strip.

Witnesses said the 31-year-old woman was shot dead and her sister was wounded Wednesday by troops in Rafah, a refugee camp in southern Gaza where terrorist groups regularly smuggle arms through tunnels from nearby Egypt.

The Israeli army, which has demolished some 30 homes believed to conceal smuggling tunnels, said it exchanged fire with gunmen during the raid.

Jordan fixes wall bulge

Jordanian experts reportedly fixed a bulge in a retaining wall of Jerusalem's Temple Mount.

Israel said the bulge was caused by renovation work conducted by the Wakf, the Islamic trust that oversees the mount compound. Israeli experts said the bulge could have caused the wall to collapse, but the Jordanians denied that the defect was so serious.

Terror victims get help

The Jewish Agency for Israel distributed scholarships to 70 terrorism victims and their families.

Wednesday's ceremony in Jerusalem is part of the ongoing Fund for Victims of Terror that is supported by the United Jewish Communities' Israel Emergency Campaign.

Rabbi crafts prayer for porn

An Israeli rabbi crafted a prayer to help Jews overcome guilt for viewing Internet porn.

According to Israel's daily Yediot Achronot, the prayer, created by Shlomo Elishahu, the chief rabbi of Safed, reads: "Please God, help me cleanse the computer of viruses and evil photographs that disturb and ruin my work, so that I shall be able to cleanse myself."

Elishahu said the prayer is a response to requests he has received from Orthodox Jews concerned that Internet pornography is endangering their family relationships.

Elishahu suggests Jews use the prayer each time they use the Internet, in case pornography comes on their screen inadvertently.

WORLD

Spain wants fence out of courts

Spanish officials told Jewish leaders they want the issue of Israel's security fence resolved by diplomacy, not courts.

Spanish Foreign Minister Ana Palacio told a delegation from B'nai B'rith International that Spain would work within the European Union to achieve a consensus to resolve the dispute over the fence in coming weeks without going to the International Court of Justice at The Hague.

Banning anti-Semitic material

France's broadcasting authority asked prosecutors to ban anti-Semitic material on satellite TV channels.

Dominique Baudis, president of the CSA Higher Audio-Visual Council, said Tuesday that he had written to European satellite provider Eutelstat to halt broadcasts of Hezbollah's Al Manar station in France.

Baudis' legal attempt to ban the broadcasts follows an official complaint by the CRIF umbrella organization of French Jews that a recent serial entitled "Al Shatat," or "The Diaspora," contained virulently anti-Semitic material.