IN THE NEWS

Could Sharon be indicted?

Israel's state attorney recommended Prime Minister Ariel Sharon be indicted for corruption.

The Justice Ministry said Edna Arbel on Sunday handed an indictment to Attorney General Meni Mazuz, who must approve any prosecution.

Sharon, who is suspected of having arranged government favors as foreign minister for a property developer who employed his son Gilad, did not comment. Justice Ministry sources said it could take months for Mazuz to decided on the next course of action, but Arbel's recommendation already has one Cabinet minister saying Sharon should resign if indicted.

Bush to delay Syria sanctions

The Bush administration reportedly has decided to delay new sanctions against Syria because of tensions in the region.

Under the Syria Accountability Act, intended as a punishment for that country's support for terrorism, President Bush had planned as early as this week to impose economic and diplomatic sanctions, congressional sources told Reuters.

However, the sanctions were likely to be delayed until mid-April because of concerns that they could exacerbate tensions following Israel's assassination of Hamas leader Sheik Ahmed Yassin.

Israel sees no Hamas ramp-up

Israeli defense experts do not expect Hamas to dramatically increase attacks against Israel after the killing of the terrorist group's leader.

Officials of the Israel Defense Forces and Shin Bet intelligence service say the group already is at its operational limits, despite vows to retaliate even more fiercely for the assassination of Sheikh Ahmed Yassin, the Israeli daily Ha'aretz reported.

WORLD RFP()RT

PUBLISHED WEEKDAYS BY JTA—THE GLOBAL NEWS SERVICE OF THE JEWISH PEOPLE, WWW.JTA.ORG

In Israel, public holds its breath to see how Hamas will respond

By DINA KRAFT

EL AVIV (JTA) — In the eerie emptiness of malls and open-air markets, in the nervous jokes that Israelis make before taking their seat at cafes and in the anxious glances bus riders exchange, it's understood that the waiting game has begun.

Israel is a country hanging in grim suspense — wondering when, where and in exactly what way the terrorist group Hamas will exact its revenge for the assassination of its founder and spiritual leader, Sheik Ahmed Yassin.

As Hamas leaders issue fiery warnings promising to unleash spectacular mayhem on the Jewish state, Israelis continue daily life — but with even more awareness and caution than usual.

Many parents are keeping their children away from crowded public places; others take taxis instead of riding public buses. Vacations to Sinai — whose Egyptian beaches usually are a popular draw during the Passover season — are being called off, with people rebooking for Eilat or Europe instead.

In an open-air plaza between shimmering skyscrapers in Ramat Gan, a private security guard in reflective sunglasses surveys the area with a loaded revolver in his hand.

At an exercise studio in Tel Aviv, the sound of hovering helicopters puts an instructor and his students on edge.

"Could it be? A terror attack, did one just happen?" the students whisper to each other.

But as the days pass since the assassina-

tion, people begin to return to the normal flow of life, to the streets, restaurants and cafes.

At the Rivers Noodle Bar, a trendy pan-Asian restaurant a few blocks from the security guard and his revolver, the lunch crowd of businesspeople and office workers has returned.

"The day of the assassination, no one came," owner Yaron Altit said.

But now they're back. Some are coming late, assuming the restaurant will be less crowded later in the afternoon, he said. There also is a rise in take-out orders for people staying home altogether.

"We feel the tension in the air. People are now checking to see that we have a security guard. Before, no one checked," Altit said.

He jokes bitterly, "When we have peace, we'll let the guard go."

Sitting at the sleek, honey-colored wooden bar, Edi Faltz, who works at the nearby Diamond Exchange, says he decided to eat here precisely because the place has security.

"We are more careful now," he said, eating a large plate of noodles and stir-fried vegetables.

Black humor helps people get through, he said.

"We Jews, we have always had humor, have always been able to laugh," he said.

He points to an article in Israel's daily Yediot Achronot in which Eli Yatzpan, a popular Israeli comedian, is quoted complaining that soon there will be no one left to impersonate.

Yatzpan was well known for his Yassin Continued on page 2



In Israel, public holds its breath to see how Hamas will respond

Continued from page 1

When we have

peace, we'll let

the guard go.'

Yaron Altit

Restaurant owner in Tel Aviv

impersonation — stroking a fake long white beard, he would make light of the conflict and mimic the Hamas founder's

squeaky, high-pitched voice.

Noting reported threats that Prime Minister Ariel Sharon next might try to assassinate Palestinian Authority President Yasser Arafat and Hezbollah leader Hassan Nasrallah, Yatzpan told Yediot Achronot, "I ask Sharon to act with caution. Otherwise, who will be left to impersonate?

"Now only Nasrallah and Arafat are left" - Saddam Hussein is already out of the picture — "and I hope they will survive, at least until the end of the season," he said.

Also sitting at the bar is Oded, a lawyer who preferred not to give his last

"I'm more aware, but although this week's action was more extreme" - and might elicit a stronger response — "much to our dismay, it's not as if before things were exactly calm," he said.

Hoteliers are not reporting a rise in cancellations vet, but they say it's too early to know how the assassination will affect tourism.

But tour operators say they've been getting a flood of calls from would-be tourists about whether or not to go ahead



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JTA WORLD REPORT is published five days a week, except holidays, by the Jewish Telegraphic Agency Inc., 330 Seventh Ave., New York, N.Y. 10001-5010. For more information about how to subscribe by e-mail, fax or regular mail, call (212) 643-1890, or visit our Web site at www.jta.org.
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with planned trips in and around Israel.

A U.S. travel advisory was issued, advising citizens against visiting Israel or the Palestinian areas.

> "It makes a lot of noise, this event, made a much bigger noise than all the terrorist activities, so there is a question mark" about how it will affect business. "So far it hasn't," said Jonathan Harpaz, director general of the Jerusalem Hotel Association.

Jerusalem hotels, he said, are booked at about 70 percent occupancy for

the week of Passover. Since the intifada began about three and a half years ago, occupancy has hovered between 20 percent and 25 percent.

Two years ago on Passover, Palestinian bombed the Park Hotel in Netanya, killing 29 people on seder night.

Ady Gelber, president and CEO of Isram World of Travel, one of the major travel agencies bringing tourists to Israel, said most clients have not cancelled.

To encourage people not to cancel, he

said, late cancellation fees have been waived and people are being given time to decide what to do.

Outside of Tel Aviv's Dizengoff Center mall, Efrat Arieli, 21, pushes her toddler son in a stroller across the crosswalk - where, in 1996, a Palestinian suicide bomber blew himself up, killing several pedestrians.

"I'm scared to go outside. I don't go to places where there are lots of people," she said.

"We are speaking about the" Yassin assassination "at home, on the street, with our families. We are waiting for a major attack in response but we needed to kill him, he was the one behind all these attacks."

The inside of Dizengoff Center feels like an empty shell.

There is only a trickle of shoppers on what normally would be a busy shopping day in the middle of a busy shopping season — the run-up to Passover.

"There has been a major change," said Miri, 20, a clerk at a gourmet bakery who did not want her last name used.

"You can feel the fear in the air since the day of the assassination," she said, looking out onto the empty mall.

"Everyone is saying we might see" an attack "like we've never seen before," she said.

Her mother doesn't want her to take buses to work, but she said she has no other way to get here.

Sharon Mor, 38, a secretary, said she doesn't feel nervous about shopping in the mall.

She's hedging her bets that Hamas won't strike right away.

"I know now they are grieving, so it will take them time to move to carrying out an attack," Mor said.

In the strange game of trying to gauge one's safety in the unpredictable world of terrorism, Israelis like Mor have become fatalists.

"I'm not scared," she said. "If it happens, it happens."

On the No. 61 bus traveling along Tel Aviv's Jabotinsky Street, passengers are

both defiant and wary of what the future holds.

"They won't stop us from living," said Rivka, a secretary who commutes to work every day by bus.

But then, referring to the security guard on the steps of the bus, she added, "I want to cry when I see this."

Daniel Tael, 13, sitting in the front of the bus, said that since Yassin's assassination

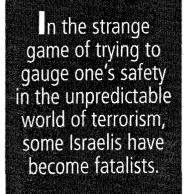
she and her friends had talked about how scared they are.

"You are simply scared of blowing up, scared for yourself, your family, your friends," said the girl with long auburn hair and braces.

Vicky Haile, 33, a social worker sitting toward the back of the bus, said she takes five buses every day.

She said she was surprised that she wasn't extra fearful or cautious after the Yassin assassination.

"It's awful, but you just get used to it," Haile said.



THIS WEEK

MONDAY

- Three top Bush administration officials visit the Middle East this week for further consultations on Israel's plans for unilateral withdrawal from the Gaza Strip and parts of the West Bank, Stephen Hadley, the deputy national security adviser, Elliott Abrams, President Bush's top Middle East adviser, and William Burns, the State Department's top envoy to the region, will assess support for Israel's withdrawal plan and the U.S.-backed "road map" peace plan in the wake of Israel's assassination of Hamas leader Sheik Ahmed Yassin. The White House, concerned about possible retaliation for the attack, would not announce precise departure dates and destinations. The meetings come in advance of a planned summit between Bush and Israeli Prime Minister Ariel Sharon in Washington, scheduled for April 14. Sharon is seeking Bush's full support for his disengagement plan from the Palestinians.
- Israel's tourism minister is in Washington to meet top U.S. commerce officials and discuss tourism between Israel and the United States. The Washington stopover is a break from Benny Elon's swing through the U.S. South and West, where he is promoting Christian tourism to Israel. Elon opposes Prime Minister Ariel Sharon's planned unilateral withdrawal from the Gaza Strip and parts of the West Bank, but it is unclear if he plans to lobby against the plan while in Washington.
- The sixth annual Koret Jewish Book Awards are given in the evening at the Harvard Club in New York. Awards are offered in the categories of biography. autobiography and literary studies; fiction; history; philosophy and thought; and for a young writer on Jewish themes. Nominees include Israeli novelists Aharon Megged and Yehoshua Kenaz, and the author of a biography of Italian writer and Holocaust survivor Primo Levi.

WEDNESDAY

■ The deadline for filing Holocaustera claims against European insurance companies has been extended, but expires Wednesday. The extension applies only to survivors or victims' families who requested a claim form before Dec. 31, 2003, from the International Commission on Holocaust Era Insurance Claims. The forms must be received by the commission's offices in Holland or Washington by Wednesday, said the California insurance commissioner, John Garamendi. Those in the United States who need help trying to complete claim forms can contact the California Department of Insurance, (800) 927-4357; Bet Tzedek, (323) 549-5883; and ICHEIC, (800) 957-3203.

Report blasts Israeli intelligence

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Iragi threat and

ignored Libya.

By DAN BARON

JERUSALEM (JTA) — Israel's foreign intelligence services have come under public scrutiny with revelations they overestimated one major threat while underplaying another.

Hot on the heels of the testimony of former U.S. counterterrorism chief Richard Clarke accusing the Bush administration of ignoring pre-Sept. 11 U.S. intelligence reports because it was focused on Iraq, the Steinitz Report issued on Sunday blasted those in Israel who had pushed for the war on Iraq.

The 80-page report, compiled by the Knesset Subcommittee on Secret Ser-

vices under lawmaker Yuval Steinitz, lambasted prewar assessments by Mossad and military intelligence officials that it was "very likely" Saddam Hussein had missiles non-conventional payloads aimed at Israel.

That perceived threat prompted the Defense

Ministry to issue millions of gas masks and order citizens to prepare sealed rooms, at a cost of millions of dollars.

"The military and political upper echelons are responsible for the mess-up," said the Steinitz Report, which charged Israeli intelligence analysts with overconfidence and oversimplification.

The report also said Mossad and military intelligence officials are in need of a major overhaul after they failed to track Libya's pursuit of weapons of mass destruction.

Libyan ruler Muammar Gadhafi abandoned the program in December in negotiations with the United States and Britain that were kept secret from Israel.

"The idea that a hostile nation like Libya, with an unpredictable leader like Gadhafi, was in the running to develop a militarized nuclear industry, without Israel getting the necessary advance warning from its intelligence service to act preventively or at least prepare accordingly, is — to put it mildly — intolerable," the report said.

'The prime ministers lack the proper tools that would afford them real oversight and orientation on the intelligence apparatus and building a real force for intelligence analysis."

Israel stayed on the sidelines of the Iraq war out of concerns its involvement would alienate the few U.S. allies in the Arab world.

But Israeli intelligence assessments were regularly fed to Washington.

"It is not inconceivable that assessments passed by an Israeli intelligence agency ... to a friendly agency were bounced back and force, played a key role in that friendly agency's planning, and ultimately ended up with the agency where they originated in the form of an analysis by an altogether different agency. Such assessments would immediately be perceived as another authoritative body bolstering and verifying the original Israeli

view," the report said.

Yet asked by reporters Israeli intelligence might have misled the United States and its ally Britain as to Irag's real capabilities, Steinitz was more circumspect.

"American and British intelligence services had much better access to

Iraq by simply sitting in Kuwait and other locations, and by being able to fly almost freely over Iraqi soil," he said.

U.S. and British officials did not com-

The Steinitz report did not recommend action against any specific intelligence of-

But it said military intelligence, which has swollen steadily in terms of manpower and funding since Israel's failure to foresee the Arab assault which opened the 1973 Yom Kippur War, should be cut down in size.

Unit 8200, the military intelligence codebreakers — who, according to a recent report in the New Yorker magazine, tipped off the United States to Iran's nuclear buildup — should become a civilian agency, the report said.

Meanwhile, it called for the Mossad to be boosted. According to security sources, the spy agency has fallen into lethargy recently through a combination of military intelligence's wide reach and an over-reliance on cooperation with foreign agen-

The Prime Minister's Office, which oversees all of Israel's intelligence agencies, said it would consider the report's recommendations.

NEWS IN BRIEF

MIDDLE EAST

Soldiers' parents recognized

Israel will grant citizenship to non-Jewish parents of Israeli soldiers.

The government approved Sunday the proposal by Interior Minister Avraham Poraz, which came in response to the near-deportation of an immigrant soldier's non-Jewish mother, reversed in 2002 after he was killed in action.

"Anyone normal hearing this discussion would not believe that in order for a soldier to meet with his mother he has to be wounded or killed. The Jewish religion cannot be so cruel," Justice Minister Yosef "Tommy" Lapid, a member of the Shinui Party, told the Cabinet.

Fatah fugitive killed

Israeli troops killed a Fatah fugitive. Military sources said the Al-Aksa Brigade member was shot on the roof of his house outside Hebron on Sunday after refusing to come out and be arrested.

Cuts both ways

A controversial film about the April 2002 battles in Jenin may be re-edited to allow its screening in Israel.

The showing of "Jenin, Jenin," a documentary hewing to Palestinian versions of events in the refugee camp, has been held in abeyance by Israel's High Court of Justice at the request of the families of soldiers killed in the fighting in Jenin.

Hebron outpost removed

Israeli police removed a cargo container placed as a settler outpost in Hebron.

Six Jewish youths were arrested for resisting the evacuation on Sunday of the container from "Worshipers' Lane," linking the Tomb of the Patriarchs to the nearby settlement of Kiryat Arba. Under the U.S.-led "road map" peace plan, Israel is obliged to remove scores of unauthorized outposts erected by settlers in the West Bank since March 2001.

Ricochet kills Palestinian boy

A Palestinian boy was killed by a ricocheting bullet when Palestinian gunmen ambushed an Israeli army commander.

Television footage from Saturday's incident in the West Bank city of Nablus showed a bullet strike a military jeep and bounce up to the 6-year-old's apartment. He was taken to a hospital with a neck wound and died within minutes.

WORLD

Synagogue vandalized in Ukraine

Several windows were shattered in a synagogue in the Ukrainian city of Odessa.

No one was injured in the incident, which took place the night of March 23-24 in the Osipova Street Synagogue. Rabbi Avraham Wolf, the chief rabbi of Odessa and South Ukraine, told JTA that the incident may be a reaction to Israel's recent killing of Hamas leader Sheik Ahmed Yassin in Gaza.

Saddam hired French lawyer

A French lawyer who defended a notorious Nazi war criminal has been hired by Saddam Hussein.

Jacques Verges told the Paris daily Le Parisien on Saturday that he accepted an offer from a nephew of Saddam to represent the former Iraqi leader, currently being held in U.S. custody. Verges already is the lawyer for Iraq's former deputy prime minister, Tariq Aziz. Verges

defended Nazi war criminal Klaus Barbie, who headed the Gestapo in Lyon during the German occupation. He also defended former Yugoslav leader Slobodan Milosevic.

South African newspaper blasts Sharon

An editorial in a South African newspaper blasted Israel's assassination of Sheik Ahmed Yassin.

The article in the national Sunday Times criticized what it called Israeli Prime Minister Ariel Sharon's "gloating" announcement of the Hamas founder's death and "chilling" responses of support by Israeli Cabinet members. The paper said it is "unprecedented for a legitimate government which subscribes to protocols of the civilized world, to openly authorize assassinations."

Concentration camp stays untouched

A plan to construct a gas station near the site of a Holocaust-era massacre in the Ukrainian city of Kharkov was canceled.

The cancellation followed protests from Jewish leaders.

Earlier this month, the authorities in Ukraine's second largest city notified the Jewish community that the 2002 construction permit that allowed a local company to build a gas station near a recently unveiled monument that marks the site of the massacre in Drobitsky Yar near Kharkov had expired.

'Passion' stirs trouble in France

A senior French Catholic leader described "The Passion of Christ" as "collective sadism."

Cardinal-Archbishop of Paris Jean-Marie Lustiger, who saw the film last week, told the Catholic TV channel KTO that the film was sadistic and that "the love of Christ could not be measured in liters of hemoglobin or the amount of spilled blood."

Meanwhile, one of the country's leading film distributors said he will not allow the film to be shown at his chain of cinemas. The film is scheduled to debut in French cinemas March 31, though three Jewish brothers appealed to a French court to have the film banned because it incites racial hatred.

France steps up security

France is increasing security measures at Jewish institutions following the assassination of Hamas leader Sheik Ahmed Yassin.

The March 25 decision follows discussions between officials at the Elysee Palace and Jewish community leaders, including the heads of the CRIF umbrella organization of French Jews, the Consistoire Central and the country's chief rabbi, Joseph Sitruk.

New watchdog in Geneva

The pro-Israel group U.N. Watch, based in Geneva, has a new executive director. Hillel Neuer, a lawyer with extensive experience in international affairs, was hired to head the organization.

One of several non-governmental organizations accredited with the United Nations, U.N. Watch representatives regularly speak at the plenum of the U.N. Commission on Human Rights in Geneva.

NORTH AMERICA

Reform leader dies at 96

Jane Evans, a longtime Reform Jewish leader and pacifist, died March 23 in New York at 96.

During World War II, she served as chairman of the American Jewish Conference's Commission of Displaced Persons, heading delegations to U.N. meetings. Evans served at the Reform Jewish movement beginning in 1933, working as executive director of the National Federation of Temple Sisterhoods until 1976.