#### **IN THE NEWS**

#### Rebuilt after bomb, Jerusalem cafe closes

A Jerusalem cafe that suffered a major Palestinian suicide bombing closed its doors.

Cafe Moment's gates were locked Monday after the owners announced the closure, saying the cafe had not returned to profitability after a March 2002 terrorist attack that killed 11 people.

"Following terrible and protracted tribulations, and despite fervent efforts, much willpower and personal sacrifice, we have been brought down by mounting debt since that horrible day, which killed us as well, only more slowly," read a note the owners left on Moment's door.

#### Egypt seeks Gaza stability

Hamas reportedly pledged not to challenge the Palestinian Authority in the Gaza Strip after an Israeli withdrawal.

The Islamic terrorist group, which is seen as a potential rival to Yasser Arafat's ruling Fatah movement, made the pledge to mediators in Cairo, the Egyptian newspaper Al-Ahram reported Monday.

According to the daily, Egypt will also seek a pledge from Fatah.

Israel plans to withdraw from Gaza in 2005.

## Report: N.Y. shul on Al-Qaida hit list

A New York City synagogue was found on a compact disc list of Al-Qaida targets.

New York's Eldridge Street Synagogue was put on a list of possible terrorist targets based on information found on computer discs seized at the home of an Al-Qaida leader in Pakistan last month, Time Magazine reported.

Synagogue officials, who were not aware that the building had been added to the watch list, questioned the magazine's reporting, saying that if there were a real threat they would have been contacted by officials.

# WORLD REPORT

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# Sharon defuses settlement crisis, but real test waits down the road

NEWS

By LESLIE SUSSER

ERUSALEM (JTA) — For a day or two in early August, Israel and the United States seemed to be heading for a showdown neither side wanted.

Quick action by Israeli Prime Minister Ariel Sharon managed to avert a looming crisis over Israeli building in the West Bank—but the tension could resume as Israel comes under pressure to meet its commitments to dismantle illegal settlement outposts and not expand existing settlements.

Tension between Washington and Jerusalem was triggered by reports of massive

Israeli construction in and around the settlement of Ma'aleh Adumim, a bedroom community some three miles east of Jerusalem.

miles east of Jerusalem.

The Americans also wanted to know why Israel hadn't removed dozens of "illegal" or "unauthorized" West Bank outposts, despite earlier promises.

In early August talks in Jerusalem, Sharon was able to convince a high-level American envoy, Elliot Abrams of the National Security Council, that he was acting in good faith and that he soon would take extensive action to dismantle the outposts.

In parallel, Sharon took a number of steps to show the Americans he meant business: He froze several Housing Ministry projects despite the fact that they already had received government approval, and he offered the Americans detailed explanations of what was happening on the ground and his government's difficulties in dealing with the settler problem.

Israeli officials also went to unprecedented

lengths to coordinate data on the outposts with the Americans. For the first time, the two sides were able to produce an agreed list of which outposts should be dismantled.

Sharon told the Americans that he had ordered a Justice Ministry attorney to prepare new legislation that would make it easier for Israel to dismantle the outposts before the U.S. presidential election in November. Sharon also ordered Dov Weisglass, his bureau chief, to give the Americans a progress report in the next few weeks.

To ensure there would be no confrontation now with the Americans, Sharon froze a

number of projects approved by former Housing Minister Effie Eitam, the hawkish leader of the National Religious Party, who resigned over Sharon's plan to withdraw Israeli troops and settlers from the Gaza Strip and part of the West Bank.

In his capacity as acting housing minister, Sharon ordered the suspension of tenders for about 1,300 housing units in the settlements of Ariel, Kiryat Arba, Betar Elit, Geva Binyamin, Karnei Shomron and Ma'aleh Adumim, until the new minister, Tzipi Livni of Sharon's own Likud Party, examines whether the projects contravene understandings with the Americans on halting settlement expansion.

As for the building that is proceeding in Ma'aleh Adumim, Sharon explained that this was an old project, approved by former Prime Minster Ehud Barak's government in 1999 and now nearing completion. It was not something his government had approved or could stop, Sharon said.

Some in the Israeli media confused the  $Continued\ on\ page\ 2$ 

### ■ Sharon resolves settlement crisis — for the time being

Continued from page 1

building in Ma'aleh Adumim with a far more significant plan to join the city to Jerusalem through a continuous conurbation scheme known as A-1, which dates to the administration of Prime Minister Yitzhak Rabin in 1994.

The idea was to build a complex of residential and tourist areas all the way from Ma'aleh Adumim to Jerusalem, creating a huge metropolitan area and ensuring Israeli control of "Greater Jerusalem."

According to Israeli officials, the A-1 plan was designed to preempt an opposing Palestinian scheme to cut Ma'aleh Adumim off from Jerusalem by continuous north-south building, connecting the villages of Abu Dis, Issawiya and Anata, preventing Jewish territorial contiguity.

So far, neither side has done very much on the ground. In his talks with Abrams, Sharon noted that the plan hadn't yet been approved in its entirety and maintained that it was not on the agenda, at least for the time being.

For now, the Americans seem prepared to give Sharon the benefit of the doubt on building in existing settlements, but they want to see action soon on removal of outposts.

As a first step to show it's acting in good faith, Israel has charged a senior Defense Ministry official, Baruch Spiegel, with comparing Israeli and American data on the outposts and reaching agreement on numbers and locations.

The bottom line is that Israel and the United States now agree on the figures:

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There are 82 outposts in all, including 23 built after March 2001, when Sharon came to power, and which he has promised to remove first. "These 23 are the main focus of our work now," Spiegel told Israel TV.

The same model has been adopted with regard to the legal issues pertaining to removal of the outposts: A Justice Min-

istry official, attorney Talia Sasson, has been assigned to formulate new legislation to ease their removal.

The old laws, based on Jordanian and Turkish precedents, afford protection for illegal buildings. Ironically, a system that successive Israeli governments

exploited to build settlements is now being used to prevent the government from taking them down.

Sasson has been given two months to come up with new legislation that will radically alter the legal position. Sharon has promised the Americans to act quickly once the legislation is in place, and to start evacuating outposts well before the presidential election.

As he seeks international support for his disengagement plan, Sharon has no wish for a confrontation with the United States — and the American president, in an election year, has no wish for a clash with Israel that could cost him crucial Jewish votes.

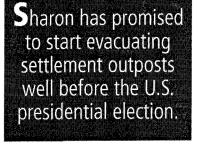
Though there is little American pressure on him now, Sharon is well aware that the Americans and the rest of the

international community see his ability to remove outposts as a test of whether he will be able to carry out his far more ambitious disengagement plan, which calls for dismantling more than 20 bona fide settlements.

Sharon's accommodating tactics seem to

have won him breathing space until after the U.S. election. But if he fails to deliver by then or soon afterwards, he knows he will face strong pressure from the elected president and a possible escalation that could jeopardize his main strategic goal: achieving a separation between Israelis and Palestinians, backed by the international community, led by the United States.

(Leslie Susser is the diplomatic correspondent for the Jerusalem Report.)



# Mob behind Prague bombing?

By MAGNUS BENNETT

PRAGUE (JTA) — An Israeli man who narrowly escaped a bomb in central Prague probably was the intended victim of an underworld feud, Czech police say.

Israeli businessman Assaf Abutbul escaped unhurt Aug. 1 when an explosive device — possibly a grenade — exploded after being thrown at the vehicle in which he was sitting. The incident happened outside the Casino Royal, which Abutbul is believed to own, near Wenceslas Square.

The explosion occurred just yards from the spot where Abutbul's father, Felix, was shot dead by a sniper about two years ago. That murder remains unsolved, though police believe the two cases are related.

In this week's incident, a man attempted to throw the explosive device through one of the vehicle's windows, but it fell short and exploded underneath. Up to 18 tourists were injured, none seriously.

Witnesses told police that the suspect, who remains at large, was wearing a baseball cap and a blue T-shirt.

Police and government officials have ruled out the possibility of a terrorist attack. Prague police have formed a special investigative team to handle the case.

"We are still investigating, but one theory being considered is that this was a feud between two families settling accounts" in the underworld, police spokeswoman Iva Knolova said.

Police sources said they were in contact with Israeli counterparts and Interpol in relation to the bombing, but declined to comment further.

Government officials said a Czech citizen holds the license for the Casino Royal, but Abutbul — who lives in Israel — widely is believed to own the business. Abutbul, who has maintained a low profile since the murder of his father two years ago, was unavailable for comment.

# Attack in New Zealand shakes community

#### By HENRY BENJAMIN

SYDNEY, Australia (JTA) — Jews in New Zealand are reeling from the worst anti-Semitic attack in the nation's history.

Ninety-five headstones were toppled over in the Jewish cemetery at Makara, outside the nation's capital of Wellington. The cemetery's chapel, used for prayers before burials, was gutted by fire, leaving only swastika-etched walls standing.

The fire was discovered early in the morning last Friday. The cemetery is in a remote area where the nearest residences are more than a mile away.

David Zwartz, the president of the New Zealand Jewish Council and a member of the Wellington Jewish community, spoke to JTA shortly after visiting the scene.

"The headstones are all made of granite — extremely tough and extremely heavy," he said.

"They all withstood the manhandling and none was damaged. However, it took three policemen to lift one back into position, so we can only assume that whatever group carried out this attack must have been quite large. This is nothing short of heartbreaking."

The desecration comes just three weeks after an attack on the Bolton Street Jewish Cemetery, which sits 400 yards from the nation's Parliament building. Sixteen headstones were desecrated in the attack

on the Bolton Street cemetery, which is no longer in use. Some of the headstones dated back to 1850, only 10 years after the city was settled.

In response to the attacks, security has been increased at all of the city's burial places. The Jewish community in Auckland, New Zealand's largest city, has also stepped up protection of its cemeteries.

The Bolton Street attack took place on the day two Israelis were jailed for six months for fraudulently attempting to obtain a New Zealand passport. Though no Mossad links were confirmed in the court case, then-Prime Minister Helen Clark described them as Israeli intelligence agents. After their sentencing, Clark imposed heavy diplomatic sanctions on Israel.

The Makara attack shook the country.

An extreme right-wing group, the National Front, denied any involvement and openly condemned those who had carried it out, as did the anti-Israel Palestine Group.

Zwartz added, "I have had strangers pluck my name from the phone book and offer their help to rebuild the prayer hall. All in all, the entire country has rallied to support the Jewish community."

New Zealand's ethnic affairs minister, Chris Carter, will seek a bipartisan declaration this week from the New Zealand parliament condemning anti-Semitism. He said, "The despicable acts that occurred at Makara last night have no place in our peaceful country. All people regardless of their ethnicity can appreciate the deep hurt Wellington's Jewish community is feeling right now."

New Zealand's acting prime minister, Michael Cullen, also condemned the attack.

The Rev. John McCaul of the Wellington Council of Christians and Jews also spoke out, saying "We assure our brothers and sisters in the Jewish community of our sympathy and support at this difficult time."

The president of the Wellington's burial society, Michael Bedder, announced the community's intent to rebuild the damaged chapel and said that "It's very hard to believe that such a thing could happen in such a peaceful country."

The Wellington City Council, responsible for maintaining the region's cemeteries, has committed to repairing the Makara damage within 48 hours.

Police are continuing their investigation into both attacks.

Following the desecration of the Bolton Street Cemetery, a solidarity meeting was held in Wellington, which has roughly 1,500 Jews.

After the Makara attack, another solidarity gathering was planned.

# Kosher restaurant opens in Athens ahead of Olympics

#### By JEAN COHEN

ATHENS (JTA) — To many Athenians, a kosher restaurant is an odd site — but, if early returns are any sign, a welcome one.

Since opening Aug. 1 in advance of the Olympic Games, the Kol Tuv restaurant has done a brisk business: Its varied menu — from Greek food like moussaka to Middle Eastern dishes such as humus to traditional Greek Jewish cuisine such as a haminados, an oven-baked egg dish — has attracted both Jews and non-Jews.

"The atmosphere of the restaurant and the decor are amazing," said Liana Zervou, a Greek Christian customer. "I was surprised by the tasty traditional Greek Jewish dishes, and I called one of my Jewish friends right away to tell them how great it is."

The air-conditioned restaurant features brick walls and wooden tables, with a few outdoor tables nearby. There's also a long wooden bar where beer, wine and coffee drinks are served.

The glatt kosher meat restaurant is the brainchild of the local Chabad-Lubavitch rabbi, Mendel Hendel, who opened it for the Games with help from Chabad and the Athens Jewish community.

The restaurant also prepares boxed lunches and pre-cooked Sab-

bath meals — and doubles as an information center for tourists.

The dishes at Kol Tuv, operated by Elisa Kamonto and Joseph Varouh, who run a catering business in Athens, are influenced by traditional Sephardi Jewish cooking. Items on the menu include pastelikos, ground-meat pies, from Varouh's family recipe book, and tazikos, a vanilla-flavored almond dessert that was handed down from Kamonto's grandmother.

It's believed to be the first time a kosher restaurant has opened in Greece since World War II, when more than 90 percent of the Jewish community died in the Holocaust.

The community, which numbers some 5,000 people, is very assimilated, and Hendel himself — with his traditional beard — is something of a curiosity for many Greeks.

Hendel is unsure whether the restaurant will remain open after the Olympics.

Alon Biniaminov, an Israeli businessman, brought his Greek partner to the restaurant to introduce him to Jewish food.

Says Biniaminov: "He especially liked the falafel with the humus. But what really surprised him was to learn that the delicious souvlaki was kosher."

### **NEWS IN BRIEF**

#### **NORTH AMERICA**

#### **Armitage: Syria not performing**

Syria has not improved its record since U.S. sanctions were introduced in May, a top State Department official said.

"I think they've not made any fundamental decisions to be a much more positive player in the region," Richard Armitage, the U.S. deputy secretary of state, told the London-based, Arabic-language newspaper Al-Hayat last week.

"We're evaluating the response of the Syrian government and we have the ability to go to stage two, which would be a more Draconian sanction regime, but that decision hasn't been made."

Syria is not doing enough to stop militants from crossing the border to aid anti-American insurgents in Iraq, Armitage said.

Existing sanctions include a ban on exports to Syria, not including food and medicine; and on Syrian exports to the United States.

President Bush may still impose sanctions on the status of diplomatic relations and on U.S. businesses that deal with Syria.

#### White House touts Bush and Jews

The White House published a 23-page booklet called "George W. Bush: A Friend of the American Jewish Community."

Mailed Monday to community leaders, the booklet features photos of Bush meeting with Jewish leaders and visiting a Holocaust memorial and quotes from Jewish leaders praising his support for Israel and his fights against anti-Semitism and terrorism.

The National Jewish Democratic Council described the booklet as an "outrage" in an election year.

#### Franks: Arab-Israeli conflict fuels resentment

Israel's conflict with the Palestinians fuels anti-U.S. resentment in the Middle East, Gen. Tommy Franks said.

Franks, who retired from the military last summer after leading the wars in Afghanistan and Iraq as the head of the U.S. Central Command, said the Israel-Palestinian issue is "a major, major, major issue. And I believe it demands our focus."

Franks appeared Monday at the National Press Club.

#### U.S. goes after alleged camp guard

The U.S. Justice Department wants the government to revoke the citizenship of an alleged concentration camp guard.

The department's Nazi-hunting unit, the Office of Special Investigations, says Anton Geiser served as a member of the SS Death Head's Battalion at Sachsenhausen in 1943, and also served at Buchenwald. The complaint also says Geiser lied about his wartime service when he applied to enter the country in 1956.

#### **Native Americans visit Israel**

A group of Native American leaders from Canada is slated to visit Israel.

Thirty Native American leaders arrived in the Jewish state to learn about the Holocaust and Jewish culture. The trip is part of a dialogue between Native American leaders and the Jewish community, spearheaded by B'nai Brith Canada. The dialogue began last year after a former Native American leader praised the Holocaust.

#### MIDDLE EAST

#### Sharon vows outpost crackdown

Ariel Sharon vowed Israel would crack down on illegal West Bank settlement outposts.

"I hope that we have found a way that will assist us in overcoming the legal and other obstacles and that we will be able to evacu-

ate" outposts as soon as possible, the Israeli prime minister was quoted as telling visiting Sen. Norm Coleman (R-Minn.) on Monday.

Washington regards swift action by Israel against 23 West Bank outposts established since March 2001 as important for bolstering the U.S.-led "road map" peace plan.

Coleman complimented Sharon's plan to withdraw from the Gaza Strip and parts of the West Bank in 2005.

#### 'Road apartheid' blasted

An Israeli human rights group accused the government of practicing "apartheid" on West Bank roads.

According to the B'Tselem report issued Monday, Israeli forces have restricted Palestinian traffic on 440 miles of West Bank roads, while banning Palestinian cars altogether from 17 roads.

The system was established because Palestinian terrorists frequently have attacked Israeli cars on West Bank roads.

Israeli military sources said the report did not take into consideration recent efforts to ease restrictions on Palestinians in the West Bank, including the removal of some 50 roadblocks.

#### Poll: Israelis struggling economically

Almost 50 percent of Israelis are unable to manage their monthly expenses, a new survey said.

In addition, 14 percent of Israelis say they feel poor, according to the Central Bureau of Statistics study.

One in four Israelis had their phone or electricity disconnected during the past year.

Also, 48 percent of Israelis said they feel satisfied with their economic situation.

#### **Burial strike ends in Israel**

Burials resumed in Israel after religious councils ended their strike.

The strike, launched last week, was called off Monday after the government granted \$7.3 million in emergency funding for religious councils.

Complaining that they had not been paid their salaries in months, the councils had halted work, including burials, in all areas except Jerusalem, Tel Aviv and Haifa.

#### WORLD

#### Jewish students harassed at Auschwitz

A group of Jewish students was verbally assaulted at the site of the Auschwitz death camp.

The Jewish college students from Israel, the United States and Poland were verbally attacked Sunday by three French male tourists, the Jerusalem Post reported.

After seeing one of the students with an Israeli flag draped around her shoulders, one assailant ran at the group while its members were being guided through a model gas chamber and crematorium and began hurling anti-Semitic and anti-Israeli insults at the group.

The men were eventually separated from the group.

#### Athlete held back

Israeli's Olympic prospects are in doubt due to an eye infection. Arik Ze'evi, a heavyweight European Judo champion, was not among the Israeli delegation that set off Monday for the Athens Games.

Trainers said a combination of the flu and a persistent eye infection were keeping Ze'evi home, but that every means would be tried to get him ready for the Olympics.