IN THE NEWS

End to intifada violence declared

The Israeli and Palestinian leaders announced an end to violence.

Israeli Prime Minister Ariel Sharon and Palestinian Authority President Mahmoud Abbas hope Tuesday's announcement, from the summit in the Egyptian resort of Sharm el-Sheik, will put an end to the 4-year-old Palestinian intifada.

Abbas said Palestinians would end all violence against Israelis, and Sharon said Israel would end military actions against the Palestinians.

U.S. lawmakers press Saudis on hate

A group of U.S. lawmakers called on Saudi Arabia to stop distributing anti-Western and anti-Semitic propaganda in the United States.

In a letter sent Monday to Saudi Prince Bandar bin Sultan, the country's ambassador to the United States, the lawmakers said they're particularly concerned about the distribution in the United States of Saudi textbooks that "propagate a Nazi-like hatred of Jews."

Rep. Steve Israel (D-N.Y.) was the lead signatory on the letter, which was signed by a bipartisan group of lawmakers.

The letter came after Freedom House recently released a report detailing how Saudi hate propaganda is distributed at mosques across the United States.

Syria to buy Golan apples

Syria said it would buy apples grown by Arab farmers in Israel's Golan Heights.

It's believed that the purchase of 10,000 apples from Arab farmers would represent the first time Syria has bought goods produced in the Golan, which Israel annexed after capturing the strategic plateau from Syria in the 1967 Six-Day War.

Syria said the move, which it called a one-time purchase, would take place because of the "harsh economic conditions" in the Golan. Israel said the move was a positive step.

WORLD RFP()RT

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After summit, Israelis, Palestinians hope better times are ahead

By Dina Kraft

EL AVIV (JTA) — Israelis are calling the Sharm el-Sheik summit, held next to the sparkling waves of the Red Sea, the "Summit of Hope" — hope that the speeches and handshakes really will signify the end of four and a half years of bloodletting and despair.

"Tikvah," the Hebrew word for hope, was splashed in large bold letters on the front pages of Israel's newspapers Tuesday, along with smiling photographs of Israeli Prime Minister Ariel Sharon and Palestinian Authority President Mahmoud Abbas.

Reading quietly from prepared statements in their native languages, Sharon and Abbas tried to turn a new page at the summit, after the bloody years of the intifada.

"Today in my meeting with Chairman Abbas, we agreed the Palestinians would stop all acts of violence against Israelis everywhere, and in parallel, Israel would cease its military activity against the Palestinians everywhere," Sharon said.

But Sharon also issued a warning, noting that terrorist groups have not acceded to the truce and have pledged only a temporary suspension of attacks.

"This is a very fragile opportunity, that the extremists will want to exploit. They want to close the window of opportunity for us and allow our two peoples to drown in their blood," he said.

Like Sharon, Abbas expressed misgivings — for example, Israel is unlikely to agree to Palestinian demands to release all Palestinian prisoners or dismantle its West Bank security fence — but hazarded a little optimism.

"For the first time in a long time, there ex-

ists in our region hope for a better future for our children and grandchildren," Abbas said.

When it came to discussing longer-term prospects, however, the rhetoric diverged.

Abbas spoke of the U.S.-led "road map" peace plan, which envisions an independent Palestinian state. The host of the summit, Egyptian President Hosni Mubarak, pitched in with an appeal to "international legitimacy," diplomatic parlance for U.N. resolutions that the Arab world insists require complete Israeli withdrawal from territory conquered in the 1967 Six-Day War — a view at odds with the Israeli and American position, and as the historical record makes clear, even with the resolutions' stated intent.

There was no covenant signed at the summit, only talk of Sharon inviting Abbas to his Negev ranch and a possible follow-up summit in Ramallah, the West Bank seat of Palestinian government.

In a goodwill gesture, Egypt and Jordan announced they would return ambassadors they had withdrawn from Israel after violence erupted in 2000. Dashing Israeli hopes, however, they declined to say when the ambassadors would be returned, and one Jordanian official said the decision could be rescinded "in 10 seconds" should the peace process stall again.

Even U.S. Secretary of State Condoleezza Rice, who boosted hopes of a breakthrough with a whirlwind round of meetings with Sharon and Abbas earlier this week, struck a note of caution.

"Success is not assured, but America is resolute. This is the best chance for peace we are likely to see for some years to come — and we are acting to help Israelis and Palestinians

Continued on page 2

The Middle East begins to experience a new emotion — hope

Continued from page 1 seize this chance," she told reporters in Paris.

Abbas pledged at the summit that Palestinians would cease all attacks on Israelis everywhere. Sharon in turn promised to end military actions in the Palestinian areas, if Palestinian attacks stop.

"It's the intifada's graduation party," Aluf Benn wrote in the newspaper Ha'aretz.

But despite the fanfare and promises of a new dawn in Sharm el-Sheik, hopes have been strained by the years of fighting, distrust and profound sense of disappointment following the collapse of the Oslo peace accords.

The question that violence-weary Israelis and Palestinians are asking is what the words will bring. Both sides know the road ahead will be a difficult one.

The newly elected Abbas faces the daunting task of reining in terrorists over the long term. Sharon must press ahead with his planned withdrawal from the Gaza Strip and northern West Bank, despite the rift it threatens in Israeli society.

Still, even a verbal agreement to cease hostilities marks the most concrete step forward since the death of Yasser Arafat, Abbas' predecessor, in November.

"I'm finding myself optimistic to spite myself," said Yossi Klein Halevi, a senior fellow at the Shalem Center in Jerusalem. "I'm not sure it's a good thing, because the great fear of those of us who initially supported Oslo is that we are going to be taken for a ride again."

But, he added, "now suddenly Arafat is

world REPORT

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gone, there were free elections in the Palestinian territories and Iraq," and Abbas is criticizing terrorism. "There seems to be something shifting."

Polls show a new air of optimism among Israelis. According to the Peace Index, a monthly Tel Aviv University survey, 77 percent of the Jewish public supports diplomatic negotiations with the Palestinian Authority. The survey also found that 51 percent of Jewish Israelis believe talks will lead to a peace

agreement. Arab Israelis are even more optimistic, with more than 95 percent supporting negotiations.

A poll published Tuesday in the Yediot Achronot newspaper found that 67 percent of Israelis support the release of Palestinian prisoners, one of the main Palestinian demands for renewing relations.

Palestinian officials say they're encouraged by Israel's readiness to discuss the criteria for prisoner releases. For the first time, some Israeli officials raised the possibility of releasing prisoners who attacked Israelis before the Oslo peace accords were signed in 1993.

Rami Elhanan, whose teenage daughter Smadar was killed in a 1997 suicide bombing on Jerusalem's Ben-Yehuda Street, said he is prepared to see the release of Palestinian prisoners.

"It's not about justice, it's about wisdom. The Palestinians see their prisoners as an important card in the negotiating process, and it's a price I'm willing to pay," Elhanan said on Israel Television. "We don't plan on forgiving them but I think it's time for reconciliation. Otherwise it will never end."

Yediot Achronot listed intifada-related statistics: 1,558 days of conflict since September 2000, 138 suicide attacks, 3,592 Palestinians killed, 1,036 Israelis killed, 208 Palestinians assassinated and 7,054 Israelis injured.

On both sides, there's a sense of exhaustion and a desire to return to normalcy.

Rice's visit earlier this week and her assurances that U.S. monitors will be placed on the ground to oversee security coordination is adding to hopes that diplomacy will be backed with substance. Rice appointed Lt. Gen. William Ward as the

security coordinator between Israel and the Palestinians.

Israeli analysts said a strong U.S. pres-

ence will be necessary if security coordination efforts are to have any effect. In the past, both sides have been reluctant to fulfill their obligations when there was no watchful eye overhead.

"Every two years we have a window of opportunity, but we don't know if it will stay open

or shut," said David Newman, a political science professor at Ben-Gurion University. He said Israel now will come under increased pressure to carry out its promised withdrawals.

At the summit, Sharon said that if there is progress with the Palestinians on the security front, it's possible that Israel's withdrawal will be coordinated with the Palestinian Authority and not unilateral, as originally planned.

"Given the experience of the last 10 years of huge plans and nothing implemented, Gaza will be a very important precedent which would change the political discourse vis-a-vis the West Bank," Newman said.

Shlomo Brom, a former director of strategic planning for the army who now is a senior researcher at Tel Aviv University's Jaffee Center for Strategic Studies, said a coordinated withdrawal from Gaza is best for Israel.

"I think it's almost an imperative to work with the Palestinians on withdrawal," Brom said. "We can do it without coordination technically; the question is what would happen afterward."

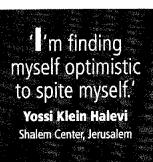
Brom noted that Sharon himself appears uncertain about what to make of the recent flurry of diplomatic activity.

"The optimism bothers him because he does not really want negotiations with the Palestinians," he said.

According to Brom, Sharon wants to see violence end but doesn't believe a final peace deal with the Palestinians is possible because the gaps between the two sides' positions are still so wide.

"Sharon says we will go ahead with disengagement, and after that see what happens," Brom said.

(JTA correspondent Dan Baron in Jerusalem contributed to this report.)



Domestic budget cuts alarm many Jewish groups

By MATTHEW E. BERGER

WASHINGTON (JTA) — President Bush's controversial budget includes no surprises in aid for Israel, a dramatic increase for the Palestinians — and drastic cuts in domestic programs that affect Jewish programs and Jewish lives.

The \$2.57 trillion plan, which landed on Capitol Hill this week, calls for a 1 percent cut in domestic spending, including reduction or elimination of 150 programs.

While much of the voluminous budget has yet to be deciphered, many Jewish organizations are expressing concern that funds for programs that aid elderly and impoverished Jews — as well as other Americans — would decline dramatically and it would be hard to launch new programs.

"A 1 percent cut doesn't matter if a program has been flush for a number of years," said Stephan Klein, director of governmental affairs at the United Jewish Communities. "But it is a problem if programs are already bare bones."

Under Bush's proposal for fiscal year 2006, the total amount of non-defense, non-

homeland security discretionary funds would remain frozen for the next five years.

Given the rate of inflation and population increase, this would amount to a 16 percent cut, Klein said

"If it were to be implemented, it would be devastating," Klein said of the freeze in total funding. "Many of our programs are dependent on these discretionary funds."

Of particular interest to the Jewish community, the budget request includes:

- \$2.52 billion in economic and military aid for Israel, part of an overall 14 percent increase in foreign aid spending;
- \$150 million for the Palestinians; an additional \$200 million is expected to be part of a separate supplemental budget request from the administration;
- A \$60 billion cut over 10 years in funding for Medicaid, which is the largest funding source for Jewish nursing homes and hospitals, providing more than \$2 billion a year;
- A \$6 million cut in funds for independent living in retirement communities. The program, which was cut by \$31 million last year, is used by more than 100 federations to provide assisted living facilities, communal meals and other pro-

grams for the elderly; and

• \$29.3 billion in funds for homeland security, an increase of \$258 million or 1 percent

from last year, which could include additional funds over the \$25 million now earmarked for high-risk nonprofit sites, including Jewish institutions.

Many of the earmarks for specific programs of interest to the Jewish community are added by lawmakers in Congress when they tackle the budget. They are not in the president's budget proposal.

BEHIND

THE

HEADLINES

There is some hope that many of the proposed cuts in programs will be salvaged by Congress. That has happened in the past.

Several Jewish groups already are prepping for a fight with Bush and congressional Republicans over plans to transform Social

Security and cut Medicaid by \$60 billion over the next 10 years.

"I think there is a philosophy in this administration that says that government is not responsible for providing a safety net for people," Marsha Atkind, presi-

dent of the National Council of Jewish Women, said, echoing the view of several Jewish organizations.

"We believe very strongly that programs like Social Security are programs people need and is the role of government."

Some groups also expressed concern about Bush's budget requests for programs that blur the line between church and state, and about the growing reliance on faith-based initiatives, which fund social service programs at religious institutions.

Among the budget items are a \$1 million increase for a pilot voucher program in Washington and \$50 million in new funding to develop new school choice programs nationwide.

In addition, there is a \$508 million increase in funding of the Individuals with Disabilities Education Act grant to states, which can be used for parochial schools.

Some Jewish groups remain concerned that school choice programs take funds away from public schools and allow federal funds to be used for religious instruction.

"The increased reliance on charter schools and other school choice schemes is a further abdication of American public

schools," said Mark Pelavin, associate director of the Religious Action Center for Reform Judaism.

But Orthodox groups back funding of private school programs.

Abba Cohen, Washington director and counsel of Agudath Israel of America, said he was pleased with increases in remedial education funding

for the disadvantaged and increases in special education funding.

Some groups expressed concern about a growing reliance on faith-based programs.

Many Jewish groups, except for the Orthodox, oppose faith-based initiatives, saying it crosses the line of separation of church and state, and if misused could create state-funded proselytizing or worship.

While many Jewish communal officials expressed frustration with some of Bush's domestic choices, several said they were impressed with Bush's proposals to fund new efforts to combat AIDS and provide international debt relief.

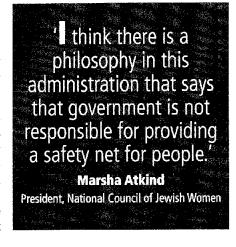
In fact, Bush's budget includes a 14 percent increase in foreign assistance, totaling \$18.5 billion.

Under the Bush plan, Israel would receive \$2.28 billion in military aid and \$240 million in economic assistance. Those numbers, down from a combined \$2.58 billion last year, are in keeping with a restructuring plan agreed to by Israel and the United States, which raises military aid by \$60 million each year and decreases economic aid by \$120 million.

Israel would also receive \$40 million for the resettlement of Ethiopian refugees, a drop of \$10 million because of a decline of Jewish immigrants to Israel.

The budget calls for \$1.795 billion in aid for Egypt, down \$40 million from last year, in accordance with a similar restructuring plan for Israel; and \$456 million to Jordan, which reflects no change from last year.

The White House also doubled economic assistance to the West Bank and Gaza Strip, to \$150 million.



NEWS IN BRIEF

WORLD

Russian Jewish journalist presses Putin

A Russian Jewish journalist called on President Vladimir Putin to break his silence on a controversial TV show.

The show alarmed many of the country's Jews with its call-in poll in which the majority of the audience supported an anti-Semitic politician.

"This show is a signal to the Jews, including those who had never thought about leaving their native country. It's time to take our kids out of here," Tankred Golenpolsky, founder of the International Jewish Gazette, the oldest Jewish periodical in Russia, wrote to Putin in a letter circulated Tuesday.

Russian officials have not commented on the Feb. 3 show, in which more than 50 percent of some 100,000 callers gave their votes to Albert Makashov in his debate on anti-Semitism with former cosmonaut Alexei Leonov.

Makashov, who during the show spoke about the Jews' allegedly harmful role in Russia, was one of the signatories of a letter from 20 lawmakers last month calling for a ban on Jewish organizations and ludaism.

Slovak legislators: Holocaust denial a crime

Slovak lawmakers overwhelmingly voted against a government proposal to decriminalize Holocaust denial.

Tuesday's vote was 108-1, with 19 abstentions.

The government had argued that the 2001 law, which makes Holocaust denial punishable by up to three years in jail, violates freedom of speech. Slovak Jewish groups were among those criticizing the government proposal.

German Jewish leader calls for action

German politicians should fight right-wing extremism instead of bickering over its causes, a German Jewish official said.

Paul Spiegel made his statement over the weekend after Edmund Stoiber, head of the Bavarian Christian Social Union, blamed the economic policies of German Chancellor Gerhard Schroeder of the Social Democratic Party for increasing right-wing extremism.

The German public recently was shocked when legislators from the far-right National Democratic Party of Germany walked out of a Holocaust remembrance ceremony held in a regional Parliament.

NORTH AMERICA

Man guilty of killing Orthodox Jew

A murder suspect pleaded guilty Monday in Toronto to seconddegree murder in the stabbing death of an Orthodox Jew.

Christopher Steven McBride, 22, killed David Rosenzweig, 48, outside a kosher pizzeria in July 2002.

The murder drew international condemnation because it appeared to be an anti-Semitic hate crime.

The defense suggested, however, that McBride was not motivated by anti-Semitism, but had been drunk and outraged because he had been unable to buy marijuana.

Face-off in L.A.

Supporters of Holocaust denier Ernst Zundel and Jewish Defense League adherents faced off in Los Angeles.

The two groups were on opposite sides of the street in front of the Canadian consulate last Friday.

Separated by a cordon of 30 police officers, the groups exchanged shouts and insults for an hour, but there were no physical incidents or arrests.

Around 20 Zundel supporters demanded his release from a Cana-

dian prison, where the neo-Nazi is being held pending deportation proceedings.

The demonstration was organized by the Institute for Historical Review, a Holocaust-denial group founded in 1979 but now in decline, according to the Anti-Defamation League.

If returned to his native Germany, Zundel faces prosecution as a neo-Nazi and Holocaust denier.

MIDDLE EAST

Hamas, Jihad cool on truce

Hamas and Islamic Jihad adopted a wait-and-see attitude toward an Israeli-Palestinian cease-fire.

Spokesmen for both groups said Tuesday that they wanted to meet with Palestinian Authority Mahmoud Abbas before declaring a position on the truce, announced Tuesday at a summit meeting between Israeli Prime Minister Ariel Sharon and Abbas.

"If there are no positive responses from the Israeli side, mainly the release of all prisoners from Israeli jails and the halt of all kinds of aggressions against the Palestinian people, there will be no ceasefire," Hamas leader Mahmoud Zahar said.

Rice cites Israel-Palestine in European appeal

Condoleezza Rice made Israeli-Palestinian peace a centerpiece of her appeal for closer U.S.-European relations.

The U.S. secretary of state delivered a much-anticipated speech Tuesday, choosing Paris as the location because France's relationship with the United States suffered the most among European states as a result of the Iraq war.

"America and Europe both support a two-state solution — an independent and democratic Palestinian state living side-by-side in peace with the Jewish state of Israel," she said.

Sons of Iraqi friend of Israel killed

An Iraqi politician who drew criticism for visiting Israel lost two sons to assassins.

Mithal Al-Alusi survived a gun ambush Tuesday on his car in western Baghdad, but two sons traveling with him were killed, police said.

As secretary-general of the Democratic Party of the Iraqi Nation, Alusi has been a leading progressive figure in postwar Iraq, speaking out against Syrian- and Iranian-backed terrorism.

But his private visit to Israel last year was too much even for fellow moderates, and led to his expulsion from the Iraqi National Congress party.

Upbeat on peace

Most Israelis are optimistic about the future and back Ariel Sharon's withdrawal plan, a poll found.

According to Tuesday's survey in Yediot Achronot, 61 percent of Israelis are very or quite optimistic that there is calm in store as the Israeli prime minister holds his first peace summit with Palestinian Authority President Mahmoud Abbas.

Another 37 percent are pessimistic. Asked if they think Abbas is sincere in his vows to stop Palestinian violence, 60 percent of Israelis said yes, while 37 percent said no.

Palestinian policemen pay price

More than 600 Palestinian Authority policemen and security agents have died in the intifada, most while carrying out terrorist attacks, a Palestinian security official said.

Speaking to the Jerusalem Post on condition of anonymity, the official said some were killed in Israeli raids on Palestinian security installations.