IN THE NEWS

First lady visits Israel, West Bank

First lady Laura Bush was jostled in Jerusalem by protesters calling on the United States to free convicted spy Jonathan Pollard.

During a Middle East tour aimed at boosting Muslim goodwill toward the United States, Bush visited the Western Wall and Temple Mount on Sunday. [Story, Pg. 3]

In N.Y., Sharon explains withdrawal

Israel's withdrawal from the Gaza Strip is necessary to ensure Israel's Jewish and democratic character, Ariel Sharon said.

"I am willing to make painful compromises for peace," the Israeli prime minister said Sunday in a speech to more than 1,000 people in New York City.

"There is one thing on which we will not make any compromises — not now and not in the future — and that is our security," he said.

A few hundred anti-withdrawal protesters gathered outside the event to demonstrate against the withdrawal, and a few hecklers occasionally interrupted Sharon's speech.

AIPAC pledges to increase openness

The American Israel Public Affairs Committee said it would increase transparency in the wake of a growing scandal.

In its first public statement on an FBI investigation into the leaking of classified information from the Pentagon that led to the firing of two senior staff members, AIPAC officials said Sunday that the group has been assured by the government that it is not a target.

AlPAC's executive director, Howard Kohr told the annual AlPAC policy conference, which started Sunday in Washington, "Your presence here today sends a message to every adversary of Israel, of AlPAC, of the Jewish community, that we are here and here to stay."

WORLD REPORT

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As withdrawal approaches, Labor faces key party leadership ballot

By LESLIE SUSSER

ERUSALEM (JTA) — After a new membership drive that almost trebled its ranks, Israel's Labor Party is gearing up for a crucial leadership race that will decide its ideological direction for the next few years — and, to a large extent, whether it can mount a serious challenge for national power.

The outcome of the Labor leadership primary, set for June 28, also could determine how long Labor remains in Prime Minister Ariel Sharon's coalition government. Most candidates are bent on leaving the government right after the planned withdrawal from the Gaza Strip and the northern West Bank this summer, but incumbent party leader Shimon Peres, who at 81 is still the front-runner, is prepared to remain in the coalition indefinitely.

Some Labor candidates are seeking a brief postponement of the vote to give them more time to garner support, but a delay of a few weeks or even months will not change the big picture: Labor and Likud, now in a

coalition, soon will be working against each other in the run-up to national elections scheduled for November 2006 but widely expected to take place at least five months earlier.

Even with Peres at the helm, Labor is unlikely to allow next year's national budget to pass, triggering elections by June 2006 at the latest, many observers believe.

The five Labor leadership candidates are former prime ministers Peres and Ehud Barak; Histadrut labor federation boss Amir Peretz; Benjamin Ben-Eliezer, a former defense minister and party chairman; and Matan Vilnai, a minister without portfolio and the army's former deputy chief of staff.

Peres, the most popular and experienced of the candidates, is least likely to make radical ideological or structural changes. Polls show that he fares the best of any candidate in a race against Sharon's Likud, raising Labor's projected total in the Knesset from its current 21 seats to at least 25.

But Peres has a "loser" image when it comes to national elections — he has lost four times — and many of Labor's younger generation suggest that it's time for sweeping changes to make the party more relevant.

Paradoxically, though, Peres still could win support from would-be reformers who might see him as a stopgap candidate for perhaps a year or two. After that one of them — perhaps Interior Minister Ophir Pines-Paz

— could be ready to challenge him for the party leadership.

Barak, 63, says Labor needs a tough leader able to stand up to Sharon, the Likud and the Arabs, and that he is that man. Over the past few months he has been trying to cultivate the

strongman image, grabbing a microphone at a Labor Party meeting and more recently using tough, unparliamentary language to slam Sharon and his sons.

But no one rouses as much antagonism as Barak inside Labor: Many party members resent him for his inability to admit mistakes, for his cavalier treatment of people close to him, and most of all, for his failure to deliver when he served as prime minister from 1999 to 2001.

Peretz, 53, is deliberately targeting Barak. If the former prime minister is returned as *Continued on page 2*



■ Israel's Labor Party looks for a new direction as withdrawal nears

Continued from page 1

Labor's head, there would be little difference between Labor and Likud, says Peretz, arguing that Barak is as conservative

on economic policy as Finance Minister Benjamin Netanyahu of Likud.

For Labor to be relevant, the party must become a true social democratic party, caring for the poor and committed to a fairer distribution of wealth, Peretz says.

Peretz claims that

polls he has conducted show that the large Sephardi working class no longer sees Likud as its automatic political home. With Sephardi working-class credentials of his own, Peretz says he's the man to remake Israeli politics by bringing masses of disgruntled Likudniks over to Labor.

Vilnai, 62, son of a renowned Israeli geographer, has a reputation for straight talk and integrity. He was virtually alone in pushing for leadership primaries and was able to bring the party around to his position.

Vilnai is a bluff, honest soldier in the Yitzhak Rabin mold, with the same heavy delivery as Rabin but without the late prime minister's analytical brilliance. Vilnai has surveys showing that Labor under his leadership would win almost as many seats as under Peres.

Ben-Eliezer, 69, is considered as hawkish as Barak on the peace process, with

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Vilnai in the center and Peres and Peretz more dovish. Trailing badly in early polls, Ben-Eliezer says he'll nevertheless be the surprise in the leadership race.

_abor leaders

try to figure out

how to revive the

party and challenge

Áriel Sharon.

And well he might be: In the membership drive that closed Sunday, Ben-Eliezer brought in 36,000 new members, 8,000 more than Peretz and more than twice as many as Peres, Barak and Vilnai.

Moreover, polls that show Peres in the lead, followed by Vilnai,

Barak, Peretz and Ben-Eliezer, were conducted among the old party membership of 48,000. Critics say that only surveys of the 130,000 or so newly recruited members will give an accurate reflection of the balance of power in the party.

Labor is due to hold a convention next week to approve the membership register, finalize election rules and decide whether or not to defer the June 28 election date.

There's one other key issue on the agenda: Barak's people have challenged

Peretz's right to run, arguing that Peretz's One Nation party, which recently returned to the Labor fold, has not yet fully merged with Labor.

According to party rules, to win a leadership race a candidate must poll over 40 percent of the overall vote. With five candidates in the field, no one is likely to win so many votes on the first ballot, and the two leading candidates would face a runoff two weeks later.

That could play into Peres' hands: Peretz already has said that if he doesn't make it to the second round, he will throw his weight behind Peres. Other unsuccessful candidates might do the same, because with Peres reinstalled they can count on getting another chance to contend for the leadership relatively soon — which might not be the case if one of the other, considerably younger, candidates wins.

Of course, other alliances are possible. The bottom line, though, is that whoever is elected party leader could make a difference — first by engineering a Labor revival, then by influencing or even changing national priorities in the key period after the Gaza withdrawal.

Recife Jews may lose school

By BILL HINCHBERGER

SAO PAULO, Brazil (JTA) — Local leaders fear that Recife, Brazil, the birthplace of Judaism in the Americas, may lose its only Jewish school, the cornerstone of its community.

The Colegio Israelita Moyses Chvarts, which serves a Jewish community of 1,400, is saddled with nearly \$250,000 in debt. It might be forced to close at the end of the next term if administrators can't find a way to reverse the school's financial slide.

"We've been able to operate thanks to a miracle," says Principal Marcelo Kozmhinsky, who doubles as the Jewish culture teacher. "We've done it exclusively with resources from the community."

Home to Kahal Zur Israel, which became the first synagogue in the Americas when it was founded in 1637, Recife played a key role in Jewish history in the New World. In the 16th and 17th centuries, Iberian Jews fled to Recife and other parts of northeastern Brazil to get away from the Inquisition.

When Holland seized the town for more than two decades in the mid-17th century, many Jews from Amsterdam moved there. When the Portuguese reconquered it, some of those Jews escaped to New York, forming the first Jewish community there.

The core of today's community in Recife traces its roots to Ashkenazim who left Russia and Romania in the early 20th century. Those Ashkenazi immigrants founded the school 85 years ago; in its early years, the language of instruction was Yiddish.

Today the school offers courses in Jewish history and culture and Hebrew, as well as the standard secular curriculum. The school hosts celebrations of all the major Jewish holidays, and has enrolled as many as 350 students.

"That's a pretty high percentage" of the community, Kozmhinsky notes.

"This school is not like other schools. It is the only institution in this community," Rabbi Avraham Amitay says. Amitay, who is supported by the Jewish Agency for Israel, arrived in Recife last year, the first rabbi to live in the city for a long time.

THIS WEEK

MONDAY

- Condoleezza Rice, the U.S. secretary of state, addresses the annual American Israel Public Affairs Committee policy conference in Washington. Rice's speech on the U.S.-Israel relationship is seen as a vote of confidence in the beleaugered lobbying group.
- Dov Weisglass, top adviser to Israeli Prime Minister Ariel Sharon, arrives in Washington to make the case for U.S. assistance to develop the Negev and Galilee, regions likeliest to absorb Israeli settlers to be evacuated this summer from the Gaza Strip and northern West Bank.
- Israeli Prime Minister Ariel Sharon meets Monday night in New York with the Conference of Presidents of Major American Jewish Organizations, and on Tuesday delivers a speech at the AIPAC policy conference.

TUESDAY

■ Republicans said they may exercise their "nuclear option" on the filibuster rule as early as Tuesday. That's when they may attempt to bring to a vote the nomination of one of two judges that Democrats reject because of their positions on abortion and church-state separation. The National Council of Jewish Women, the American Jewish Committee and the Reform movement have all lobbied to preserve the filibuster.

WEDNESDAY

- Dore Gold, an adviser to Israeli Prime Minister Ariel Sharon, addresses the American Enterprise Institute in Washington about defensible Israeli borders.
- The U.S. House of Representatives votes on a bill that would expand federal funding for stem-cell research. A wall-to-wall coalition of Jewish groups, from the Reform to the Orthodox streams, backs the bill. President Bush has threatened to veto any expansion of stem-cell funding.

THURSDAY

Palestinian Authority President Mahmoud Abbas meets with President Bush in Washington. Bush's efforts to spur on the renascent Palestinian-Israeli peace process have been stalled by mutual recriminations and a resurgence of violence.

FRIDAY

- The European Council of Jewish Communities and the American Jewish Joint Distribution Committee host their third presidential meeting in Basel, Switzerland, through Sunday. More than 150 people gather to promote strategic discussion and policy formation on issues affecting European Jews.
- Lawrence Franklin, the mid-level Pentagon Iran analyst charged with leaking classified information to two AIPAC officials, appears at a preliminary hearing at a federal court in Alexandria, Va. He is expected to plead not guilty.

First lady jostled in Jerusalem

By DAN BARON

JERUSALEM (JTA) — She may have brought a message of American goodwill toward Muslims, but Laura Bush spent a potential high point of her Middle East tour fending off protests from Palestinians angered by U.S. policies — and from Israelis, too.

After arriving from Jordan, the first

lady toured Jerusalem on Sunday, traveling from site to site under heavy Israeli police and U.S. Secret Service. In lieu of speeches, she spoke to her media entourage of the need to end the Israeli-Palestinian conflict.

"What an emotional place this is, as we go from each one of these very, very holy spots to the next," Bush said. "We're reminded again of what we all want.

what every one of us prays for," adding, "What we all want is peace."

Some want more. When Bush arrived at the Western Wall, demurely dressed, to place a written prayer in the cracks of its stones, she found herself facing off with dozens of Israeli demonstrators who chanted that the United States should free Jonathan Pollard, who is serving a life sentence in a U.S. jail for spying for Israel.

From there, it was up to the Temple Mount, for a tour of one of Islam's most revered sites, the Dome of the Rock. Most worshipers looked on incuriously, but there was heckling from Palestinians angered at a Newsweek magazine report — later retracted — that U.S. interrogators had flushed a copy of the Koran down a toilet in Guantanamo Bay, Cuba, to torment a Muslim prisoner in their custody.

"Koran, Koran," hissed one woman.

The Islamic terrorist group Hamas even posted a notice against the First Lady on the Internet.

"We in principle don't reject anyone's visit to the Al-Aqsa Mosque (compound), but we see in the visit of Mrs. Bush an attempt to whitewash the face of the U.S., after the crimes that the American interrogators had committed when they desecrated the Koran," it said.

Having earlier voiced regret at the Newsweek report and the Muslim rioting

> that has been linked to it. Bush took a more positive tack the Temple Mount. marveling at the beauty of the shrine. She also voiced hope for the U.S.-led "road map" Israeli-Palestinian peace, which has been tested by renewed fighting in the Gaza Strip but which President Bush hopes to bolster by hosting his Palestinian Authority counterpart in the White House on

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First lady Laura Bush

Thursday.

"The United States will do what it can in this process," Laura Bush said. "It also requires the work of the people here, of the Palestinians and the Israelis, to come to the table."

"The chance that we have right now to have peace, to have a Palestinian state living by a secure state of Israel, both living in democracy, is as close as we've been in a really long time."

Toward evening, the first lady traveled to Jericho in the West Bank, where she met with Palestinian female leaders. In more polite terms, they voiced dismay at Israeli security measures — especially the barrier going up in the West Bank — and the apparent U.S. approval of them.

"It will take a lot of baby steps and I'm sure that there will be a few steps backward on the way, but I want to encourage the people I met with earlier, the women I just met with, that the U.S. will do what they can in this process," Bush said.

NEWS IN BRIEF

MIDDLE EAST

Rethinking Gaza timetable

Several Israeli army officers called for the Gaza withdrawal to be postponed.

Ma'ariv said Sunday that the commanders, none of whom was named, believe leaving the Gaza Strip and the northern West Bank in mid-August as planned would bolster Hamas.

The officers noted that the Palestinian Authority has failed to quell the Islamic terrorist group.

The officers are also concerned that housing for the thousands of settlers slated for evacuation will not be ready in time.

The consensus among the high-ranking groups is that the withdrawal should be delayed by around six months.

Speaking to reporters en route to New York, Prime Minister Ariel Sharon rejected the reports as "baseless."

On Tuesday, Sharon is slated to deliver the keynote speech at the annual American Israel Public Affairs Committee conference in Washington.

More trouble for the rabbinate

An Israeli chief rabbi could be prosecuted for breach of trust.
Police investigators, after wrapping up a probe of allegations
that Ashkenazi Chief Rabbi Yona Metzger received illicit perks from a
Jerusalem hotel last year, recommended Sunday that he be indicted.

It was the most serious criminal investigation against a serving chief rabbi in Israel's history.

Metzger has denied wrongdoing. Attorney General Menachem Mazuz is to decide whether the case should be prosecuted.

Mazuz recently cleared Metzger's Sephardi counterpart, Shlomo Amar, of complicity in the assault on and abduction of a young man who had courted his daughter, though Amar's wife and son are to be prosecuted in that case.

The leader of Israel's Conservative movement is calling for the dismantling of the rabbinate, citing the recent police questioning of both chief rabbis, and asserting that the rabbinate has no precedent in Jewish tradition and is a vestige of British Mandate rule.

Israeli ambassador heads to Egypt

Israel's new ambassador to Egypt flew to Cairo on Sunday. Shalom Cohen replaces Eli Shaked, who retired in December.

Most recently, Cohen was the Foreign Ministry's deputy director general for the Middle East.

From 1996 to 2000, he was head of Israel's delegation to Tunisia.

Looking out for Israel

Israel's security is a higher priority for the Bush administration than Palestinian statehood, a U.S. senator said.

"Obviously one of the greatest commitments that we have is to the Jewish people and the State of Israel, to try and manage the difficult process of the peace there and securing that nation, and doing so in a way that, if possible, is just to the Palestinians," Sen. Gordon Smith (R-Ore.), said Saturday at the World Economic Forum conference on the Middle East.

He said peacemaking must be predicated on Palestinian Authority reform.

"Until we have someone on the other side who is willing to say yes, we're not going to continue to prostitute the American presidency to people who aren't serious," said Smith.

"It's a mystery to me why Arab countries can't work on their own countries before Palestine is fixed."

Free trade expanded

The European Commission, Jordan, and Israel are upgrading their trade agreement.

The PanEuroMed zone will allow products produced jointly throughout the Mediterranean region to enter the E.U. market with lower tariffs.

The agreement is expected to benefit Israel's textile industry in particular.

in a related development, the E.U.'s trade commissioner, Peter Mandelson, met with senior ministers and officials from Israel, the Palestinian Authority and Jordan.

He stressed the importance of trade in stabilizing the Middle East.

NORTH AMERICA

Air Force task force incomplete?

A task force investigating religious intolerance at the U.S. Air Force Academy admitted it had not met with two critics.

Among those not interviewed by the task force, which is expected to issue its report to the acting secretary of the Air Force on Monday, is Mikey Weinstein, a Jewish graduate of the school who says his son, a cadet at the Colorado school, has been called a "Christ killer" by fellow students.

Jews back new L.A. mayor

Jewish voters in Los Angeles helped Antonio Villaraigosa, a Hispanic, become mayor of Los Angeles.

Jews backed Villaraigosa by 55 percent to 45 percent over incumbent James Hahn in the May 17 vote, reversing Hahn's victory among Jewish voters over Villaraigosa four years ago.

Villaraigosa was a supporter of the Simon Wiesenthal Center and Anti-Defamation League while serving as speaker of the state assembly, and frequently cites his affinity to Jews as another people who have suffered discrimination.

Overall, Villaraigosa, the son of Mexican immigrants, triumphed by 59 percent to 41 percent.

Less than one-third of registered Los Angeles voters went to the polls, with Jews turning in 17 percent of the ballots.

WORLD

Coup at Cannes

Israel's Hanna Laslo took the best actress prize at the Cannes Film Festival.

"I want to share this prize with my mom, who is a Holocaust survivor," Laslo, 52, said in accepting the honor Saturday night for her role in "Free Zone," an Israeli road movie about Jewish-Arab coexistence.

"Also, to the victims on the Arab and Palestinian side," she said, adding that, "it's time we sit and try to solve the problem." Prior to Cannes, Laslo's role in "Free Zone" had been largely overshadowed by that of her co-star, Natalie Portman.

Laslo is best known in Israel for a range of comic roles, and has most recently appeared as the host of the Israeli version of the game show, "The Weakest Link."

Her win at Cannes, the world's most famous film festival, was Israel's first since 1967.

Kosher eatery opens in St. Petersburg

A new kosher restaurant opened in St. Petersburg last week. L'Chaim, located in the city's Grand Choral Synagogue, is the first centrally located kosher restaurant in the city, which has Russia's second-largest Jewish community.

The restaurant features traditional Russian Jewish and Middle Eastern cuisine made by a Russian-born Israeli chef.

The restaurant was opened with funds raised by members of a Jewish business club affiliated with the synagogue.