

IN THE NEWS

Bush talks values with Jewish educators

President Bush met with Jewish college students and higher education leaders to discuss the importance of a moral component in university life.

Bush met Monday with four activist students associated with Hillel: The Foundation for Jewish Campus Life, as well as with leaders from seminaries belonging to all four Jewish streams and the heads of Jewish universities.

Bush chooses a different theme for his Chanukah meeting each year, and this year appeared eager to link his war on terrorism with what he said was the battle against moral relativism on campus, participants said.

Register of Palestinian property loss created

The United Nations voted to establish a register of damage resulting from Israel's West Bank security barrier.

Under last Friday's General Assembly resolution, a new office would be created to maintain a comprehensive record of the damage, at a cost of more than \$3 million during the 2006-07 biennium, according to a report of the General Assembly's budgetary committee.

B'nai B'rith reps meet pope

A delegation from B'nai B'rith International met Monday with Pope Benedict XVI in Rome.

The B'nai B'rith group, led by President Moishe Smith and Executive Vice President Daniel Mariaschin, urged the pontiff to offer "an urgent and unwavering moral response" to extremists such as Iranian President Mahmoud Ahmadinejad, who hosted a Holocaust denial conference in Tehran last week.

The group also met with other high-level Vatican officials, Italian government leaders and members of the Italian Jewish community.

WORLD REPORT

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

Fatah-Hamas showdown forces Palestinians to choose their course

By LESLIE SUSSER

JERUSALEM (JTA) — In calling for elections, Palestinian Authority President Mahmoud Abbas has sharpened the choice facing the Palestinian people: Back his Fatah party and have peace with Israel and the promise of economic prosperity, or support the rejectionism of Hamas, whose nine months in office have brought only war, chaos and impoverishment.

Abbas' call Saturday for early elections in the Palestinian Authority triggered fierce street fighting between Fatah and Hamas, which won the last election in January. Despite a hastily arranged cease-fire Monday, the two factions remain on the brink of civil war.

The United States, Israel and other Western countries are hoping for a Fatah election victory that could pave the way for a resumption of Israeli-Palestinian peace talks. The United States is actively helping Fatah, but Israel — fearing that support for Fatah will backfire and undermine the moderates — is staying out.

The turmoil in the Palestinian camp comes as Syria launched a new initiative for peace with Israel. Peace with Syria would be a major strategic gain for Israel, breaking up the Iran-Syria-Hezbollah-Hamas axis, and it would put additional pressure on the Palestinians to cut a deal with Israel.

But Israel is not biting. Prime Minister Ehud Olmert does not trust Syria's intentions and does not want to cross President Bush, who opposes dealings with Damascus.

The internal Palestinian struggle and the

Syrian overtures are both part of a greater regional struggle for hegemony, pitting Iran and radicals such as Syria and Hamas against Western-leaning moderates such as Egypt, Saudi Arabia, Jordan, Israel and Abbas' Fatah. How the Palestinian struggle plays out, and whether Syria comes over to the moderate side, will have major implications for Iran's position in the region.

In his speech Saturday calling for elections, Abbas launched a scathing attack on Hamas' policy of violence and non-recognition of Israel.

"The settler land" — parts of Gaza that Israel evacuated last year — "should have flourished with economic, tourist and agricultural projects, but some people insist on firing rockets," he scoffed. "They kidnapped the Israeli soldier," a reference to Cpl. Gilad Shalit, who was abducted by Gaza gunmen last June. "And since then they paid with 500 martyrs, 4,000 wounded and thousands of homes destroyed."

The subtext was clear: Violence is getting the Palestinians nowhere, while peace moves could bring economic reward.

But Abbas did not set any date for elections. Analysts say he hopes to use the threat of elections to pressure Hamas into forming a national unity government with Fatah. That might enable the Palestinian Authority to accept the international community's benchmarks for dialogue — recognition of Israel, acceptance of past agreements and renunciation of violence — paving the way for peace talks and the lifting of the international economic boycott

Continued on page 2

NEWS ANALYSIS

■ *Abbas attacked Hamas' policy of violence and non-recognition of Israel*

Continued from page 1

of the Hamas-led Palestinian Authority. Some Hamas leaders are in favor of this. Others still hope to circumvent the boycott by bringing in Iranian money.

P.A. Prime Minister Ismail Haniyeh of Hamas was intercepted recently trying to smuggle \$30 million from Iran into Gaza in a suitcase. Indeed, Hamas strategy is built on financial and political ties with Tehran.

"Iran gives us strategic depth," Haniyeh declared during a recent visit to Tehran.

■
The thinking behind this is the basis for Hamas rejectionism. Hamas leaders believe that if they can hold out until Iran gains regional dominance, they'll be able to defeat Israel. Therefore, they argue, any attempts to make peace with the Jewish state are short-sighted.

The fighting on the streets was the worst between Fatah and Hamas in years, with children caught in the cross-fire. Leaders on both sides also came under fire: There was a shooting attack on Haniyeh's convoy as he returned to Gaza from Iran. Hamas blamed Fatah strongman Mohammed Dahlan and threatened to assassinate him. Later, mortars were fired at Abbas's presidential compound in Gaza.

Pundits say the slide into civil war can only be averted if there is an agreement on holding elections or if a unity government is formed. Hamas has been adamantly against elections, describing Abbas' call for an early ballot as an

"attempted coup" against a legitimately elected government.

Despite efforts to reach a compromise, analysts argue that an eventual showdown is inevitable, since the two groups' basic positions on Israel and the nature of a future Palestinian state are irreconcilable.

As both sides prepare for armed conflict, the West is openly backing Fatah. The United States has pledged funds, and an American general, Keith Dayton, is training Fatah forces.

British Prime Minister Tony

Blair visited Ramallah on Monday to back Abbas's conception of peacemaking as something that brings significant economic benefits. By outlining a vision of economic prosperity, Blair hoped to convince the Palestinian people that Abbas' approach has a good chance of success.

■
Abbas also has the backing of moderate Arab states such as Saudi Arabia, which is providing funds, and Egypt, which reportedly is supplying weapons.

Syria, however, continues to host Hamas leaders in Damascus, and that is one of the reasons Israel is wary of its new peace offer.

The Syrian peace rhetoric was unprecedented. In an interview with Italy's La Repubblica newspaper, President Assad invited Olmert to meet him and test his intentions, while Syrian For-

eign Minister Walid Muallem told the Washington Post that a commitment to return the Golan Heights was no longer a precondition for talks.

Israeli leaders are divided on how to respond. Olmert, and most of the government, argue that Syria must first show whether it's on the side of Iran or the

West. It can do that by expelling Hamas and other terrorist leaders from Damascus and stopping its meddling in Iraq and Lebanon.

Others, in Labor, the left and the fervently Orthodox Shas Party, say Israel

should use the chance to engage Damascus and try to swing it to the moderate camp. In a briefing of the Knesset's Foreign Affairs and Defense Committee, Mossad Chief Meir Dagan came down firmly on Olmert's side, arguing that Syria isn't really interested in peace but simply wanted to use talks with Israel as a means of easing Western pressure.

■
Some pundits argue, however, that Olmert is making a huge strategic blunder. The most scathing was Ma'ariv political analyst Ben Caspit.

"I wonder what Ehud Olmert will say to the members of the next commission of inquiry — the one that is set up in two or three years time after war with Syria or after it becomes clear just how big a chance was missed to split the axis of evil and isolate Iran," Caspit wrote. ■

Hamas described President Abbas' call for an early ballot as an 'attempted coup' against a legitimately elected government.

JTA
WORLD
REPORT

Daniel J. Krifcher
President
Mark J. Joffe
Executive Editor and Publisher
Lisa Hostein
Editor
Michael S. Arnold
Managing Editor
Lenore A. Silverstein
Finance and Administration Director

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.
© JTA. Reproduction only with permission.

Israeli court: End ban on Palestinian students

JERUSALEM (JTA) – Israel's highest court ruled that a sweeping ban against allowing Palestinians to study in Israel is unreasonable.

The High Court of Justice on Monday ordered the military to set criteria within 60 days for admitting at least some Palestinian students into Israel.

Today's interim ruling came after the Arava Institute for Environmental Studies asked to join a court petition arguing against a total ban. Due to the ban, the institute, which is near Eilat,

has not been able to enroll Palestinian students.

"Today's ruling prevents the military from automatically vetoing the ability of Palestinian students to study in Israel," said Noam Peleg, an attorney for Gisha, the civil rights group that argued the petition before the court.

For security reasons it has been increasingly difficult for Palestinians to study in Israel since the Palestinians launched their violent intifada in September 2000. ■

N.Y. federation courts young bankers

By JACOB BERKMAN

NEW YORK (JTA) — While most Jewish federations struggle to pool \$10 million per year, the UJA-Federation of New York took in some \$21.5 million in a single night.

Far from the world of Super Sunday phone-a-thons, with volunteers cold-calling strangers for small donations, the New York federation pulled out the stops at the New York Hilton on Dec. 6 as some 1,200 bankers met for drinks, hors d'oeuvres and a night of card playing.

On the dais for an hourlong presentation between drinks and cards were the power brokers of Wall Street, including the president of Goldman Sachs, the chairmen of Bear Stearns and Offit Hall Capital, and the managing director of Lehman Brothers.

An increasing portion of the New York federation's donations have come from the finance sector in recent years, according to Richard Spitz, director of the group's Wall Street and Financial Services Division.

In 2001, the division's campaign comprised about \$25 million of the federation's \$144.3 million campaign. This year's goal is \$36 million.

The Wall Street division also ponied up roughly \$12 million of the \$45 million that UJA-Federation of New York contributed to this summer's Israel Emergency Campaign, according to the division's associate executive director, Joy Prevor.

This year's federation campaign, which started Oct. 11, is already at \$2.6 million; the Wall Street division accounts for \$2 million of that.

The Wall Street dinner is the division's marquee fund-raising event.

Started 30 years ago, the banquet is a way to capitalize on the period between November and February when many bankers take home bonuses that dwarf what most Americans earn over the course of several years.

Last year, the financial industry doled out a record \$21.5 billion in bonuses. With the Dow Jones at an all-time high, the S&P 500 at a 10-year high and the Nasdaq at a six-year high, 2006 is expected to be another record year for bonuses.

As fourth-quarter earnings come out, the UJA-Federation of New York appears to be in sound position. On Dec. 14, Bear Stearns announced a 38 percent growth in

revenue over 2005 and Lehman Brothers announced a 22 percent increase — this after Goldman Sachs announced that its fourth quarter of 2006 was its most profitable ever, showing a 93 percent rise in net income.

The fund-raising banquet seems to reflect market trends.

Prevor and Spitz say they suffered a downturn when the intifada began, which coincided with a sharp drop in the market as the Internet bubble burst.

But UJA-Federation of New York is hedging against another down tick. The "buy side" of the market, which includes mutual funds, pension funds, hedge funds and insurance firms that tend to purchase securities that can make money even

when the market drops, is exploding.

In 1990 there were roughly 530 hedge funds, with \$50 billion in assets. Today there are more than 8,000, with nearly \$1.4 trillion in assets.

A hedge fund is a loosely regulated private equity fund that can take long and short positions on the market. If it shorts the market, it will make money if the market goes down.

"We've really been reaching out to the buy side, and we've done a much better job of bringing them into the fold," Scott Prince, senior managing director at Eton Park Capital Management, told JTA at the banquet, where he received the Wall Street division's Young Leadership Award.

Some 30 percent to 40 percent of those in attendance were from the buy side, a huge increase from just several years ago, according to Henry Siegel, a vice president at a bank he said he could not name because of its restrictions on speaking to the press.

The banquet also reflects new diversity in the market, according to Jeffrey Stern, a managing partner at Forum Capital Partners, who sat on the dais.

"Many years ago it was a vertical business," he said. "You had a few major banks — Goldman Sachs, Bear Stearns, Solomon Brothers — with hundreds of people. Now it's more horizontal."

Especially among the younger set, there

is more lateral movement: Whereas many used to stay at large banks at lower-level positions hoping to move up, today they take more prominent jobs at smaller shops.

The biggest change at the dinner is that the event no longer includes what was once its greatest spectacle, the "card calling," when Bear Stearns Chairman Alan "Ace" Greenberg would stand on the dais, call out names and publicly solicit six- or seven-figure contributions.

Ultimately, as Wall Street division leaders looked at the banquet, they realized that the potential for growth lay in how effectively they reach out to the next generation on Wall Street.

Two years ago, dinner organizers replaced the card calling with a printed

"Roll of Honor" that shows who has donated and what amount. This year, six Wall Streeters gave more than \$1 million, 13 contributed between \$500,000 and \$999,999, and 59 donated more than \$100,000.

Organizers also did away with the traditional banquet format, instead

going with an elaborate nosh before a shortened UJA presentation and a casino night that allowed Wall Street neophytes to rub elbows with those UJA sees as leaders in the financial and philanthropic worlds, such as its honorees this year — Daniel Och, a senior managing member of Och-Ziff Capital, and Eton Park's Prince.

As Siegel surveyed the casino room, where a DJ spun mostly 1980s tunes and professional card dealers dealt poker to 20- and 30-somethings, Siegel estimated the net worth in the room at \$50 million to \$70 million.

But even that will grow exponentially over the next couple of decades, and the trick is figuring out how to make those who will control Wall Street in the future feel they should give to UJA-Federation.

Among the prizes at stake for the faux cash poker tournament were power lunches with some of the powers that be.

"They aspire to be those guys," Prevor said. "That's the point — they aspire to be the Scott Prince or the Daniel Och." ■

FOCUS
ON
ISSUES

The New York federation pulled out the stops at the New York Hilton as some 1,200 bankers met for drinks, hors d'oeuvres and a night of card playing.

NEWS IN BRIEF

MIDEAST

Israeli court: End ban on Palestinian students

Israel's highest court ruled that a sweeping ban against allowing Palestinians to study in Israel is unreasonable.

The High Court of Justice on Monday ordered the military to set criteria within 60 days for admitting at least some Palestinian students into Israel. For security reasons it has been increasingly difficult for Palestinians to study in Israel since the Palestinians launched their violent intifada in September 2000.

Syria statement omits Golan

Syria said "land for peace" is central to Arab-Israeli peace, but did not cite the Golan Heights.

The release sent to media by the Syrian Embassy in Washington summarized an interview that President Bashar Assad gave to *La Repubblica*, an Italian newspaper. Assad "called on the U.S. administration and the Israeli government to accept repeated Syrian offers to resume negotiations in order to bring peace and stability to the region," the statement said.

The statement follows indications by Syrian officials that they would welcome peace talks without requiring that Israel commit in advance to a total return of the Golan, which Israel captured from Syria in the 1967 Six-Day War.

Israeli Arab suspected of bomb plot

An Israeli Arab teenager is suspected of planning a terrorist bombing.

The Shin Bet on Sunday announced the arrest of the 17-year-old Nazareth youth, saying he confessed under interrogation to a plot to bomb a Jewish hotel in his hometown on behalf of the Palestinian terrorist group Al-Aksa Brigades. The suspect was remanded by Nazareth District Court as prosecutors put together an indictment.

Munich mastermind voices regret

The mastermind of the Palestinian attack on Israeli athletes at the 1972 Munich Olympics voiced regret at the deaths.

Mohammed Daoud, former head of the PLO terrorist group Black September, said in a rare Israeli press interview published Monday that the 1972 attack was designed to take hostages for a prisoner swap. "It was in our interest that they stay alive," Daoud told *Ma'ariv* from his home in Syria. "The instructions were not to kill anyone, except in cases of self-defense. I am saddened by the deaths of the Israelis and the Palestinians."

WORLD

Polish president hosts menorah lighting

Poland's presidential palace hosted a Chanukah lighting for the first time.

President Lech Kaczynski lit a candle Monday in a Warsaw ceremony that included local Jewish community leaders, Israeli Ambassador David Peleg and visiting officials from the European Jewish Congress. Polish Chief Rabbi Michael Schudrich said that Kaczynski, a staunch supporter of Israel and of the planned Museum of the History of Polish Jews, asked to have a menorah lit at the presidential residence.

Russian shul attacked

Chanukah services were disrupted at a synagogue in northwestern Russia when a gas cannister was thrown into the Jewish community center.

The AEN news agency reported Monday that worshipers in Pskov

were sickened by the gas and had to leave the Friday night service. Local security officials promised an investigation.

NORTH AMERICA

U.S. wants Iran vote within days

The United States expects a U.N. Security Council decision on Iran sanctions "within days."

"We need to see a vote on this in a matter of days," State Department spokesman Sean McCormack said Monday. He said representatives of the six determining powers in the matter — the United States, Russia, Britain, France, Germany and China — were meeting Monday in New York, and U.S. Secretary of State Condoleezza Rice discussed the matter earlier in the day with Sergei Lavrov, her Russian counterpart.

U.S. delays Israel embassy move

President Bush again delayed moving the U.S. Embassy in Israel from Tel Aviv to Jerusalem.

The move has been postponed every six months since the Jerusalem Embassy Act, which mandates that the U.S. embassy should be in Jerusalem, Israel's capital, passed in 1995.

Rice to Mideast in early 2007

Condoleezza Rice plans to travel to the Middle East in early 2007 to promote Israeli-Palestinian peace talks. Sean McCormack, a spokesman for the U.S. secretary of state, said Monday that Rice would travel to the region "early next year" and would "devote a lot of time, energy and focus" to forging a two-state solution to the Israeli-Palestinian conflict.

Menorah lighting refers to Iran conference

Preserving the memory of the Holocaust was the theme of this year's lighting of the "national menorah" on the White House Ellipse.

Speakers, including Susan Schwab, the U.S. trade representative and a daughter of Holocaust survivors, referred to last week's conference in Iran denying the Holocaust. Rabbi Levi Shemtov, who heads American Friends of Lubavitch, which organizes the event, referred to the presence at the Holocaust denial conference of Neturei Karta, a tiny anti-Zionist Chasidic sect.

Mormons 'baptize' Simon Wiesenthal

The Simon Wiesenthal Center called on the Mormon Church to remove its Nazi hunter namesake from the church's online database of posthumous baptisms.

Rabbi Marvin Hier, dean of the Wiesenthal Center, made the urgent request after being informed by Salt Lake City researcher Helen Radkey that Wiesenthal's name had been added about a week ago to the Mormons' International Genealogical Index.

Many Jews, including Holocaust victims, have been found on the index. Mormon officials promised in 1995 to stop the practice of posthumously baptizing Jews, but did not. They reiterated the pledge in 2000.

Reform helps parents celebrate Shabbat at home

The Reform movement is providing online help for parents of young children who want to celebrate Shabbat at home.

"Got Shabbat," a program for parents and their children under 6 years old, guides parents through the Shabbat blessings for giving charity, lighting candles, wine and challah. It also explains the tradition of blessing one's children, and provides prayers in Hebrew, Hebrew transliteration and English.

The program can be accessed at www.urj.org/shabbat/intro.