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# **JUSTICE DEPARTMENT ADMITS EX-NAZIS WORKED FOR U.S. INTELLIGENCE AFTER WAR** By Howard Rosenberg

WASHINGTON, June 16 (JTA) -- The Justice Department admitted Thursday that convicted Nazi war criminal Robert Jan Verbelen worked for the U.S. Army's Counter Intelligence Corps in Vienna from 1946 to 1956, as did at least 13 other active members or collaborators of the Nazi Party and SS.

The department made public the results of a formal investigation, initiated by a request from the Anti-Defamation League of B'nai B'rith, into whether the U.S. government protected and assisted Verbelen, who now lives in Austria.

The report also provides descriptions of the 13 others, but does not name them at the request of the Central Intelligence Agency, in order "to protect the identity of intelligence operatives," the report said.

Elliot Welles, who heads ADL's task force on Nazi war criminals, said he is seeking to uncover those names as a "matter of principle."

A copy of the report was forwarded to the Austrian government, according to Neal Sher, director of the Justice Department's Office of Special Investigations, who co-wrote the report.

The report does not ask Austria to retry Verbelen, now 77, who was convicted in 1965 of two murders during World War II. He was later acquitted on the grounds that he had been carrying out orders from superiors.

The Austrian Supreme Court overturned that acquittal, but never retried him. Verbelen had gained Austrian citizenship after serving in the state police in the late 1950s.

He was arrested there in 1962, after the public prosecutor in Vienna learned that Verbelen had been sentenced to death in absentia by a Belgian military court in 1947, for having committed 101 murders during the Holocaust.

## **A 'Shocking' Report**

Abraham Foxman, national director of the ADL, who termed the report "shocking in its revelations," called on the Austrian government to retry Verbelen.

Welles said the ADL is seeking a meeting with Austria's minister of justice, Egmont Foregger.

In the case of Verbelen, who is on the U.S. "watch list" of suspected Nazis barred from entering the country, the 92-page report found "no evidence that any Counter Intelligence Corps officials learned Verbelen's true identity before 15 June 1956."

The Justice Department's report, in describing Verbelen's atrocities, said that "at the end of 1942, Verbelen began ordering groups of Flemish SS men . . . to carry out special actions against persons suspected of being anti-Nazi. These actions ranged from house searches to beatings to assassinations of prominent personalities."

Sher said the intelligence corps had a "practice of utilizing Nazi criminals and their collaborators in its postwar, Cold War, European intelligence operations," including Klaus Barbic, the "Butcher of Lyons."

In some instances, the report said, the

Counter Intelligence Corps took steps to protect such informants from being arrested.

Sher added that in light of Verbelen's ability to assume different aliases, "it's not surprising he made a living writing fiction."

# **SHULTZ SAYS RANGE OF FIGHTER PLANES WON'T ALLOW KUWAIT TO STRIKE ISRAEL** By Howard Rosenberg

WASHINGTON, June 16 (JTA) -- Secretary of State George Shultz said Thursday that the range of the F/A-18 fighter planes the Reagan administration wants to sell to Kuwait "is not sufficient to conduct any sortie against Israel from Kuwait."

Shultz was testifying at a Senate Appropriations subcommittee hearing, where he was told by Sen. Frank Lautenberg (D-N.J.) that he and Sen. Dennis DeConcini (D-Ariz.) are working to "make certain there are some guarantees in the event that this sale takes place."

He asked Shultz whether the plane's combat radius could be extended "in a way that would enable them to attack Israel from Kuwait."

Shultz responded that the F/A-18 Hornet, which up to now has not been sold to any Third World country, won't have a refueling capability, so "it isn't going to have its range extended by that means."

He added that the proposed \$1.9 billion sale is "something of a political breakthrough, that Kuwait is prepared to in a sense tie itself to our equipment by making this substantial and important purchase."

## **Largest Arab Sale This Year**

The sale -- apparently the largest that will be proposed this year to any Arab country -- is designed to protect Kuwait, a Persian Gulf state, from air or naval attacks from Iran, Shultz said.

The appropriations include 300 Maverick missiles; 200 Sparrow missiles; 120 Sidewinder missiles; 40 Harpoon missiles; 400 laser-guided bombs and 200 cluster bombs.

The administration informally notified Congress June 10 of the proposed sale. Formal notification is expected within 20 days, followed by a 30-day period in which the Senate would have to vote to block it to prevent it from automatically going through.

When DeConcini asked Shultz if Kuwait has contributed to the peace process in any significant way, Shultz responded that Kuwait has not been "particularly prominent one way or another."

The senator also asked how much financial support Kuwait gives to the Palestine Liberation Organization.

Shultz said, "I don't know whether the number is available, but undoubtedly they do give support."

Sen. Arlen Specter (R-Pa.) asked Shultz if a precondition for the sale could be a statement from Kuwait that it recognizes Israel's right to exist.

Shultz responded that getting such a statement "would be a pretty difficult thing to do, even though I don't have any doubt about the fact that Kuwait recognizes Israel is there and there to stay."

## ILO RESOLUTION ON TERRITORIES MAY TRIGGER A U.S. WALKOUT

By Tamar Levy

GENEVA, June 16 (JTA) -- Israel and its allies are waging a vigorous fight against an Arab-sponsored resolution at the annual conference of the International Labor Organization here.

The resolution has been under debate in committee since Monday, holding up work on other matters.

Speculation is mounting, meanwhile, that the United States would walk out of the ILO, a United Nations agency, if the anti-Israel measure is adopted.

Such a move would not be unprecedented. The Americans quit the ILO in 1971 and stayed out for 10 years, until 1981, because of a resolution adopted that condemned Israel for discriminatory labor practices against Palestinians.

That walkout was in protest against politicizing the ILO. Observers noted that the same grounds could apply in the present case.

The resolution being pushed by the Arab states would set up a new, permanent ILO committee to monitor labor developments in the Israeli-administered territories.

At present, South Africa is the only country under scrutiny by the ILO for its labor practices.

U.S. Labor Secretary Ann McLaughlin, who is attending the ILO session, said at a news conference Wednesday, "We have a concern, as others do, with the politicizing of the ILO."

She added that the U.S. delegation will meet next month to review the outcome of the ILO conference and decide what action to take.

Asked if a withdrawal was possible, she replied, "We have not discussed that yet. It is not even on our radar screen."

Meanwhile, Francis Blanchard, the ILO secretary-general, promised Israeli Labor and Social Affairs Minister Moshe Katsav Monday that he would personally intervene against the Arab resolution. As a rule, the secretary-general does not interfere.

Because of ILO rules that require the first resolution to be disposed of before debate can begin on other ones, the work in the Resolutions Committee is proceeding very slowly.

ILO spokesman Peter Sutcliffe told the Jewish Telegraphic Agency that so far, the delegates have managed to agree only on the preamble, which deals with the protection of workers' rights and freedoms in occupied territories.

## SUPREME COURT OVERTURNS RULING FREEING THREE NEWSPAPER EDITORS

By David Landau

JERUSALEM, June 16 (JTA) -- The Supreme Court Thursday overturned a Jerusalem district court decision to release on bail three left-wing Israeli editors accused of membership in a Palestinian terrorist organization.

As a result of Justice Aharon Barak's ruling, Assaf Adiv, Michal Schwartz and Roni Ben-Efrat, former editors of the newspaper *Derekh Hanitzotz*, are to remain in custody until their trial next September.

The newspaper was closed by the authorities three months ago. It was alleged to have been funded by the Democratic Front for the Liberation of Palestine, a Marxist-oriented splinter group of the Palestine Liberation Organization, led by Jordanian Nayef Hawatme.

The editors were arrested for violating the law against membership in, or contact with, a terrorist group.

District court Judge Eliahu Ben-Zimrah ruled Monday that the three be released on bail. He denied bail, however, to a fourth co-defendant, Yaacov Ben-Efrat.

He said the others had not done "anything illegal" and that even the prosecution concedes their acts did not go beyond political propaganda.

The accused also withdrew their confessions, which they claimed were made under duress in the course of interrogation.

But Barak took a tougher view. He said the three are charged with serious crimes and noted that the courts regularly remand in custody persons charged with lesser offenses.

According to Barak, the man and two women belonged to a terrorist group dedicated to the destruction of Israel.

He ordered the prison authorities to make conditions a little more comfortable for the two women, if possible.

## HELPING IDA NUDEL GAIN FREEDOM WAS GREATEST PLEASURE FOR SHULTZ

By David Friedman

WASHINGTON, June 16 (JTA) -- George Shultz said Thursday that being able to help people like former Soviet refusenik Ida Nudel gain freedom has given him the greatest pleasure as secretary of state.

"In the end, it's these things that you can feel you at least had a little bit to do with that make some human being's life a little better," Shultz said.

He was responding to a question from Sen. Daniel Inouye (D-Hawaii), chairman of the Senate Appropriations Subcommittee on Foreign Operations, who asked what brought him the most satisfaction in the job he will be leaving next January.

Shultz noted that he had "worked a lot on the human rights aspects of our relations with the Soviet Union."

He said that tears came to his eyes last Oct. 15, when Nudel, whom he had seen a few months earlier at a Passover seder at the U.S. Embassy in Moscow, called him after she arrived in Jerusalem.

"Mr. Secretary, this is Ida Nudel, I'm home," Shultz quoted her as saying.

"I've met her quite a few times since then," the secretary said. "Whenever I go to Israel, she comes around, and we talk and share experiences."

At the subcommittee hearing, which dealt with foreign aid programs, Shultz was challenged by Sen. Robert Kasten (R-Wis.) on why the State Department recommended only \$10 million for the 1989 fiscal year to help Soviet and East European emigrants settle in Israel.

The current budget calls for \$25 million in aid. Kasten questioned the decrease in light of the fact that the number of emigrants from the Soviet Union had increased.

Shultz replied that the State Department had asked for \$10 million for the current fiscal year also, but Congress had increased the figure to \$25 million, the same as it was in 1987.

He said that the refugee budget is "a very constricted one," and the State Department feels \$10 million is adequate. But if it turns out more money is needed, then "we probably could reshuffle the funds," he said.

**ISRAEL READY FOR COMPROMISE  
WITH EGYPT ON TABA DISPUTE**

By David Landau

JERUSALEM, June 16 (JTA) -- Israel says it is willing to resume negotiations with Egypt for a compromise solution to their border dispute over Taba.

Yosef Ben-Aharon, director general of the Prime Minister's Office, said Thursday on Israel Radio that Premier Yitzhak Shamir is prepared to reopen the talks under the auspices of the legal adviser to the U.S. State Department, Abraham Sofaer.

The Taba dispute was submitted to an international arbitration panel in March, after more than a year of hearings in Geneva. Its verdict, which will be binding under international law, is expected in September.

But the panel's decision can be postponed at the request of both parties, Ben-Aharon pointed out.

The United States has been working behind the scenes for a compromise solution even while the arbitration panel was hearing the arguments of both sides.

Sofaer shuttled between Israel and Egypt last spring toward that end. His proposal was accepted by the Egyptians, but not by Israel, as Ben-Aharon made clear Thursday.

The State Department adviser would vest sovereignty of Taba with Egypt. But Israel would be endowed with rights of access to the half-mile-square strip of beach on the Red Sea, where Israeli entrepreneurs have built a resort hotel and vacation village.

Ben-Aharon maintained that Sofaer's solution would only set the stage for future disputes. He felt a better compromise could be reached "which would give both sides a sense of achievement" and at the same time provide precise rules of possession and access to prevent future disagreements.

The Israeli official was vague about sovereignty. He seemed to imply that Israel is prepared to forgo it, provided its access rights and the right to operate the tourist facilities at Taba is iron-clad.

Ben-Aharon explained that Israel prefers a compromise to a solution imposed by arbitrators. He said the panel would determine only where the boundary should be in the area, leaving open for further exhausting negotiations the questions of access and possession.

**FIVE-MEMBER JUDICIAL PANEL NAMED  
TO INVESTIGATE HEALTH CARE CRISIS**  
By Hugh Orgel

TEL AVIV, June 16 (JTA) -- Supreme Court President Meir Shamgar appointed a five-member judicial commission Thursday to investigate the crisis in public health care and recommend long-term solutions.

The panel will be headed by Justice Shoshana Netanyahu. It will include two hospital administrators and experts in medical economics and labor relations.

Shamgar acted on a decision by the Cabinet earlier this month to tackle the health care problems in two stages.

A four-member ministerial committee, chaired by Premier Yitzhak Shamir, already has met several times to discuss short-term solutions.

It is trying to end the immediate crisis,

which has subjected government and Histadrut hospitals to crippling strikes, work stoppages, slowdowns and sanctions by medical and non-medical personnel for the past several months.

The actions continued Thursday. Only emergency medical procedures were being performed at the state-run hospitals and those of Kupat Holim, Histadrut's health care agency. Outpatient clinics remained closed, as they have been for weeks.

The judicial commission will deal with planning and policy. Its report and recommendations are not expected for a year.

The ministerial committee will meet again after receiving an opinion from Attorney General Yosef Harish on a plan to end the labor strife at the hospitals.

In addition to Shamir, its members are Foreign Minister Shimon Peres, Finance Minister Moshe Nissim and Health Minister Shoshana Arbeli-Almosino.

**Plan Involves Extra Premium**

The plan under consideration was drafted by the directors of 30 public hospitals. It calls for the members of various health insurance funds to pay an additional premium, equivalent to about \$15 per month.

The extra money would enable the hospitals to shorten the list of patients waiting for elective surgery.

The wait, which sometimes is as long as a year, could be reduced to about six weeks by utilizing surgical theaters on a second shift.

Doctors have been demanding this, with compensation for their additional hours on duty. The Treasury has refused to consider a pay hike on grounds it will trigger similar demands elsewhere in the public sector.

Israelis now pay the equivalent of between \$50 and \$100 a month to belong to a health insurance fund. The additional \$15 will improve service. But who pays it to the doctors, since the Treasury will not do so, is a matter of dispute.

**FIRST OFFICIAL SOVIET DELEGATION  
COMING TO ISRAEL AFTER 21 YEARS**

By Hugh Orgel

TEL AVIV, June 16 (JTA) -- The first official Soviet cultural delegation to visit Israel in 21 years is due in Jerusalem on June 30, to participate in the Jerusalem Film Festival.

Members of the delegation are film directors Leb Panfilov and Alexander Askoldov, actor Mikhail Ouliano and actresses Inna Tchurikova and Raissa Nedaskorskaya.

Panfilov's film, "Thema," in which Ouliano and Tchurikova starred, won first prize at last year's Berlin Film Festival.

Nedaskorskaya starred in Askoldov's film "The Commissar," which took second prize at this year's Berlin film fest.

"The Commissar" was banned in the Soviet Union when it was made 20 years ago, after Moscow broke diplomatic relations with Israel during the 1967 Six-Day War.

Based on a 1934 novella by the Russian-Jewish author Vasily Grossman, it is the story of a woman commissar who becomes pregnant during the Russian revolution and is assigned to a Jewish household to give birth.

After the child is born, she returns to the front, leaving it with the Jewish family. The positive light in which the family is portrayed presumably accounts for the ban.

# ISRAELI COURT ORDERS ADOPTED BABY BE RETURNED TO BRAZILIAN COUPLE

By David Landau and Hugh Orgel

JERUSALEM, June 16 (JTA) -- A custody case that has captivated and divided Israeli opinion for months was decided Thursday in favor of the Brazilian natural parents of a child adopted two years ago by an Israeli couple.

Justice Menahem Elon, deputy president of the Supreme Court, ordered Yaacov and Simcha Turgeman of Lod to give up their adoptive 2-year-old daughter, Caroline, to her mother, Rosilda Goncalves, who calls her Brona. The couple was given one month to comply with the order.

Justice Elon acknowledged their grief and urged them to "show generosity" and facilitate the smooth transfer of the child which, the court held, would ultimately be in her best interests.

The court appointed a government psychologist to help the Turgemans cope with giving up the child they had reared from infancy.

The case went to the Supreme Court last month after cell tissue tests conducted by Hadasah Hospital indicated with "99.9 percent certainty" that Rosilda Goncalves was the child's mother and her common law-husband, Luis Americo Vasconsalos, the father.

Goncalves came to Israel earlier in the year with the assistance of the Brazilian authorities and a British television station, which had been investigating an adoption ring specializing in babies from Brazil. The father was brought to Israel later for the tissue tests.

Goncalves claimed that her child was kidnapped to Paraguay and sold to the childless Israeli couple who were unaware of the circumstances.

## JAPAN INUNDATED WITH ANTI-SEMITIC BOOKS, SAYS WIESENTHAL CENTER

LOS ANGELES, June 16 (JTA) -- "Japan is a country very taken with literature, that smacks of classic anti-Semitic scapegoating," but unlike the West, it has not led to any overt anti-Semitic acts, according to Rabbi Abraham Cooper, associate dean of the Simon Wiesenthal Center here.

Cooper spoke on his return from a week-long fact-finding mission to Japan, where he visited some bookstores and found many anti-Semitic books for sale on the mass market.

"What I found at virtually every one of the two dozen bookstands I visited in Tokyo," Cooper said, "were popularly priced books which blamed international Jewry for every conceivable problem, from the overvaluation of the yen to a purported cover-up of the Chernobyl nuclear disaster."

The proliferation of Japanese best-selling books with anti-Semitic themes "continues unabated," said Cooper, even as Japan's foreign minister, Sosuke Uno, prepared for his first visit to Israel next week.

"But unlike societies of the West and in the Islamic world, this phenomena has not sparked any overt anti-Semitic acts," said Cooper.

He added, however, that it was a disturbing development in a country which has almost no Jews.

The Chernobyl charge is in a book by Takashi Hirose, published last month, titled "Find the Hyde of Dr. Jekyll," that was prominently displayed in Tokyo's two largest bookstores.

One of its main themes is a charge that Armand Hammer, chairman of the Occidental

Petroleum Co., and other prominent Jews conspired to profit from the Chernobyl disaster.

Another Japanese author, Masami Uno, has had a string of best-sellers in recent years about the alleged machinations of international Jewry and how it is responsible for Japan's problems.

## Over 2.5 Million Copies

His books have sold over 2.5 million copies in the last two years. One has been translated into Korean, and he was recently invited to Seoul to share his "expertise" on world Jewry, Cooper said.

He said he warned Japanese officials and others with whom he met that the situation is bound to have international repercussions in at least three areas.

According to Cooper, the proliferation of anti-Semitic canards cannot help but influence the Japanese people toward the State of Israel and the Jewish people.

These books damage Japan's image in the United States and especially in the American Jewish community, at a time of economic and trade problems between the two countries.

Finally, according to Cooper, the continued silence of Japanese authorities and intellectuals in the wake of this anti-Semitic campaign, coupled with Japan's adherence to the Arab League boycott of Israel, seriously questions Japan's ability to contribute to the Middle East peace process in an "even-handed manner."

## ISRAELI BUSINESSMAN TO HELP SEND HANDICAPPED ATHLETES TO OLYMPICS

By Hugh Orgel

TEL AVIV, June 16 (JTA) -- International businessman Shaul Eisenberg announced Wednesday that he will head a public committee to raise funds to send an Israeli team to the 8th Olympics for the disabled.

The games will be held in Seoul, South Korea, immediately after the 1988 Olympic Games being played there in September.

Eisenberg, whose financial empire is built on trade with the Far East, said at a news conference that \$300,000 would be required to send handicapped Israeli athletes to Korea.

He refused to say how much of it would come out of his own pocket.

Although well known for his philanthropy, Eisenberg has studiously avoided publicity in the past. But he took the uncharacteristic measure of summoning the news media to announce his participation.

He said he was "not worried" about raising the funds without recourse to the government.

Israel plans to send 59 athletes to the event, which will feature 3,400 paraplegics, quadriplegics, amputees, blind and other handicapped athletes from around the world.

The Israelis will be accompanied by 15 coaches, doctors and administrators.

They are expected to compete in men's and women's wheelchair basketball and volleyball, swimming, track and field events, weightlifting, table-tennis, marksmanship and fencing.

Israel has earned a world reputation in paraplegic sports, due partly to the many men and women incapacitated in its wars.

Eisenberg paid tribute to those athletes. "I respect the fighting spirit of Israel's handicapped sportsmen," he said. "They are great diplomats for the country."