



## NEWS AT A GLANCE

■ Russian leaders and foreign diplomats joined Jewish officials and World War II veterans to break ground for a new synagogue in Moscow. The new synagogue will be erected in memory of Soviet Jews who died during the Holocaust, said Russian Prime Minister Viktor Chernomyrdin, who helped lay the foundation of the synagogue. [Page 4]

■ The official in charge of investigating the 1994 bombing of the Buenos Aires Jewish community center is pursuing a lead that links suspects in the case to American neo-Nazi groups, sources close to the case said. [Page 4]

■ The head of the Palestinian negotiating team warned that the Palestinians would consider seeking international arbitration if no progress was made. Meanwhile, Defense Minister Yitzhak Mordechai, in response to harsh statements made by Jordan's King Hussein, called on the monarch not to make declarations that add to difficulties in the region.

■ An editorial in *The Final Call*, the Nation of Islam's newspaper, railed against the Anti-Defamation League, calling the Jewish defense organization an "enemy to the people." The editorial came as the Nation of Islam was planning a rally on the ADL's doorstep.

■ A bomb exploded near the recently restored Dohany Street Synagogue in Budapest, the largest synagogue in Europe. The bomb caused minor damage, but no injuries. The bomb came as the Hungarian Parliament appeared close to approving a law on compensation for property lost during the Holocaust.

■ Poland's government approved a costly long-term plan to better manage the site and surroundings of Auschwitz. The plan comes in the wake of several controversies over building near the site.

■ An earthquake whose epicenter was 25 miles off Cyprus was felt in Israel and other parts of the Middle East. The tremor, which registered 6.1 on the Richter scale, caused injuries and damages in Cyprus, and caused buildings in Israel to shake.

## NEWS ANALYSIS

### Revelations raise questions about Swiss role in Nazis' war

By Daniel Kurtzman

WASHINGTON (JTA) — It may well be the last chapter of the Holocaust.

Half a century after Nazi Germany plundered billions of dollars worth of gold from Jews and from occupied countries in its march across Europe, Switzerland has been forced into a financial and moral accounting of its own actions during the war.

A storm of international criticism has engulfed Swiss society in recent weeks as newly declassified documents show that the neutral Swiss turned a substantial profit — and helped finance the German war effort — by acting as the Nazis' bankers during World War II.

Allegations have mounted that the Swiss National Bank knowingly purchased and laundered millions of dollars in looted Nazi assets during the war years, including jewels stolen from Jews on their way to death camps.

Switzerland is known to have made its banks available for the safekeeping of tons of so-called Nazi gold — some of it believed to have been melted down from wedding bands and from the dental fillings of Holocaust victims.

The Swiss agreed after the war to turn over \$60 million worth of gold to the United States, Britain and France for eventual return to the countries from which it was pilfered. But according to a recent British government report based on newly revealed documents, that figure accounted for only one-tenth of the Nazi gold stash.

The remaining gold — estimated now to be worth some \$6 billion — may still be sitting in Swiss vaults, the report said.

The recent revelations — and the flurry of media reports focusing on them — have placed Switzerland at the center of an international inquiry into the fate of Nazi gold.

The questions Switzerland faces, however, run far deeper than the whereabouts of the precious metal.

For 50 years, Switzerland has sidestepped inquiries about its relationship with Nazi Germany, citing bank secrecy laws and its neutral posture.

But now, under increasing pressure from Jewish organizations as well as from U.S. and British officials, Switzerland has been forced into an uncomfortable and belated reckoning with its past.

### Switzerland may have bought its neutrality

The unearthing of historical documents have fed mounting speculation that Switzerland may have, in effect, bought its neutrality during the war by developing an expedient relationship with the Nazis.

That relationship, in turn, caused considerable "damage" to the Allied war effort, as stated in a U.S. intelligence report from 1945 on the "objectionable activities of Swiss banks."

Elan Steinberg, executive director of the World Jewish Congress, said, "It is safe to say that without the financial and economic assistance rendered to Nazi Germany by use of Switzerland as a clearinghouse, the war could not have continued as long as it had."

Some have leveled more stinging indictments against Switzerland.

"Because of actions the Swiss government took, Jews died," said one U.S. official who asked not to be identified.

The revelations are based on documents uncovered from the U.S. National Archives and foreign archives in recent months by the WJC and the Senate Banking Committee. Researchers uncovered the 50-year-old documents as part of a parallel investigation into assets deposited in Swiss banks by Jewish Holocaust victims.

The exhaustive search of the intelligence documents, some of which have been obtained by the Jewish Telegraphic Agency, has produced additional evidence that Nazi-Swiss cooperation may not have been limited to bank dealings.

One confidential 1945 letter written by then-U.S. Secretary of War Henry Stimson, for example, stated that Switzerland "is more interested in

retaining German goodwill than in properly protecting American prisoners under the Geneva Convention."

Steinberg said, "What we're talking about is collaboration at every level in the political, economic and, indeed, the social sphere."

Swiss officials say that the war years, as one put it, were not the "most brilliant chapter" in the history of the national bank. But so far, that is about all they are conceding.

When asked for his response to the recent revelations, a spokesman for the Swiss Embassy in Washington would only say, "If you go into the history, there is certainly no doubt that Switzerland was surrounded by the Nazi powers and was in a very difficult situation at that time.

"It was neutral and it conducted commercial activities throughout the war with the Allies and with the German Reich and it played a role as a financial place."

Some historians suggest that because Switzerland's army was not strong enough to prevent occupation by an encroaching Germany, it had to find another way to stay out of the war. Providing safe haven and a market for looted Nazi assets may have served that end, historians say.

"We had to give the Germans something, to survive," Robert Vogler, a Swiss historian who wrote a 1985 study of wartime gold transactions told *The New York Times*.

The sudden and intensive international speculation about the nature of the Nazi-Swiss relationship has been met by both protestation and embarrassment among the Swiss.

It is not a country that is accustomed to confronting its past. It was only last year, 50 years after the war ended, that the Swiss government finally apologized for a secret 1938 deal it had reached with Hitler to turn back German Jewish refugees seeking safety in Switzerland.

Recently, the government promised to pay Jewish groups more than \$800,000, with half of it to go toward preservation efforts at Auschwitz and half to AMCHA, an Israeli organization that counsels Holocaust survivors and their children. Swiss officials said the move was not linked to the Nazi gold controversy.

#### **Swiss Parliament promises investigation**

Switzerland's Parliament, meanwhile, has promised a comprehensive investigation, exempt from all bank secrecy laws, into the fate of all assets that reached Switzerland as a result of Nazi rule.

Such an investigation will likely take five years, Swiss officials say.

A separate inquiry by the Swiss Bankers Association and the World Jewish Congress, led by former U.S. Federal Reserve Chairman Paul Volcker, will determine the value of dormant Swiss bank accounts belonging to Holocaust victims.

The WJC claims that up to \$7 billion in Jewish money is languishing in those accounts, while Swiss bankers say they have only found about \$32 million in unclaimed assets.

"What is needed now is an unimpeded search for the truth," Swiss Foreign Minister Flavio Cotti said recently.

After reports that Switzerland may have held on to 90 percent of the Nazi gold stash, Sen. Alfonse D'Amato, chairman of the Senate Banking Committee, called for a renegotiation of the postwar agreement between Switzerland and the Allies on the redistribution of looted assets.

After the war, the Allies had settled for \$60 million, believing that was the most they could get.

In response to a letter to Secretary of State Warren Christopher from D'Amato, the State Department promised

a "thorough and immediate study" of all aspects of the agreement, including the extent of U.S. knowledge about the disbursement of Nazi assets.

Indeed, Jewish officials say Switzerland is not the only country that owes an accounting.

Part of the \$60 million gold stash Switzerland turned over to the Allies 50 years ago is now lying in central banks in the United States and Britain, according to documents uncovered by the WJC.

The Federal Reserve Bank of New York is believed to be housing 2 tons of looted Nazi gold, estimated to be worth about \$28 million. An additional 3.5 tons of gold, worth about \$56 million, is in the Bank of England, WJC officials said.

After allegations about the gold holdings, Edgar Bronfman, president of the WJC and the World Jewish Restitution Organization, appealed to top American, British and French officials to make the money available to "individual sufferers from Nazi persecution, their heirs and their families."

None of the Nazi gold has ever found its way back to Holocaust victims, according to WJC officials.

"What we're talking about here has nothing to do with money," Steinberg said. "It has everything to do with justice.

"What is important is that this last bit of gold, as a final measure, as a final bit of justice, go back to some of the victims from whom it came." □

#### **Israelis object to building mosque under Temple Mount**

*By Naomi Segal*

JERUSALEM (JTA) — Israeli security forces warned this week of a possible outbreak of Jewish extremist violence to protest the planned opening of a mosque at an archaeological site beneath the Temple Mount.

The warnings came two weeks after Israel opened a new entrance to an ancient tunnel near the Temple Mount, sparking three days of violence that left 15 Israelis and 60 Palestinians dead and put the future of the peace process in doubt.

The warnings came in the wake of reports that officials from the Wakf, which administers Islamic holy sites on the Temple Mount, have for the past few months been quietly overseeing renovation of the site known as "Solomon's Stables" into a mosque able to accommodate thousands of Muslim worshipers. The mosque is reportedly scheduled to open next week.

In January, the Wakf asked then-Prime Minister Shimon Peres for permission to hold Ramadan services at the site, saying that inclement weather and inadequate accommodations made it difficult to hold them on the Temple Mount, according to the Israeli daily *Yediot Achronot*. Peres agreed, on the condition that the Wakf "not make any noise" when Israel opened the tunnel entrance, *Yediot* said.

It was not clear that the Wakf agreed to this understanding, but prayers did take place there during Ramadan, the Islamic holy month of daily fasting.

In subsequent months, the Wakf continued renovation work at the site to create a permanent mosque.

In response to this, the Jerusalem municipality issued a work stoppage order. But the work continued, prompting a right-wing Jewish group, the Temple Mount Faithful, to petition the High Court of Justice two weeks ago. The court has yet to issue a ruling on the matter.

Meanwhile, the Israel Antiquities Authority said some of the work being done at the site by the Wakf, including the installation of lighting, loudspeakers and a floor, had caused damage to the archaeological site. □

**NEWS ANALYSIS****Netanyahu's push to move IDF from Hebron dismays hard-liners**

By David Landau

JERUSALEM (JTA) — Prime Minister Benjamin Netanyahu's decision to press for the redeployment of Israeli troops in Hebron has placed him at loggerheads with hard-liners in his governing coalition.

Only last week, Netanyahu had received kudos from the right for standing firm in meetings with Palestinian Authority leader Yasser Arafat and President Clinton at the emergency summit in Washington.

Returning from Washington, Netanyahu was feted by youngsters of the National Religious Party's Bnei Akiva youth movement who congregated along the highway from Ben-Gurion Airport and in the streets of Jerusalem, waving banners urging him to "be stronger and of good courage."

But as Israeli-Palestinian talks reopened Sunday night, at the Erez crossing between Israel and Gaza, the enthusiasm for Netanyahu in the national religious camp visibly cooled.

Similarly, the prime minister was criticized by members of his own Likud Party.

"It's sometimes difficult to explain the policy when you don't know what it is," said Knesset member Reuven Rivlin, wondering whether the premier was about to abandon the Likud's Greater Israel ideology.

Other Likud hard-liners, among them Science Minister Ze'ev "Benny" Begin and Uzi Landau, chairman of the Knesset Foreign Affairs Committee, have indicated that they will vote in the Knesset against measures leading to the Israel Defense Force's redeployment in Hebron.

While the previous Labor government had agreed to withdraw from most of Hebron, the only Palestinian town still patrolled by Israeli troops, the move has been delayed since March out of concern for the security of some 450 Jewish settlers and Jewish holy places.

Netanyahu has said he would uphold the agreement to redeploy Israeli troops, but wants to negotiate modifications that would take into account the security needs of Hebron settlers. But this week Netanyahu was signaling clearly that the long-delayed redeployment would be carried out within a relatively short time. Indeed, some sources around the premier suggested that Netanyahu, having made his decision, will vacate much of the city by Nov. 5, assuming that the Palestinians go along with his demands for "adjustments" in the original accord.

**In advance of Election Day**

Although Netanyahu has repeatedly denied that there was any definite deal between him and Clinton on a date for redeployment, it would seem politically astute for the Israeli leader to offer the president this goodwill gesture in advance of Election Day.

Meanwhile, on Monday, Israeli and Palestinian officials began tackling the focal point of their negotiations, the Hebron redeployment, after a ceremonial first round of talks the evening before that were devoted mostly to procedural matters. At the Sunday session, the two sides agreed to form three subcommittees to deal with Hebron, security issues and economic issues. Addressing the Likud Knesset faction Sunday, Netanyahu, to the chagrin of the hard-liners, said the negotiations were in earnest.

Israel's requirements, he said, were twofold: to ensure the existence and safety of the settlers in Hebron, "the oldest Jewish community on earth," and to ensure safe access to and control of the Jewish holy places in the city. Israeli sources indicated that what was being demanded by way of adjustments was a reduction in the strength of the Palestinian police force to be deployed in

Hebron, particularly close to the areas of Jewish settlement. One proposal believed to be on the table would allow these officers to carry only sidearms, not assault rifles.

The concern for adjustments increased after some Palestinian police turned their weapons on Israeli soldiers last month during days of rioting sparked by the opening of a new entrance to a tunnel near Jerusalem's Temple Mount. The West Bank and Gaza Strip clashes, which left 15 Israelis and 60 Palestinians dead, have spurred the two sides to get the peace process back on track.

The international community seems to have mobilized this week to bolster Netanyahu's apparent intention to come through on Hebron, widely viewed as a litmus test for advancing Israeli-Palestinian relations.

U.S. Secretary of State Christopher, en route to West Africa, held high-profile meetings on Sunday with Netanyahu as well as with Foreign Minister David Levy and President Ezer Weizman.

After these sessions, word was quickly relayed to the media that Christopher had been encouraged by Levy's relative pragmatism and moderation, and by Weizman's enthusiastic attempts to nudge the peace process forward.

Weizman, carrying out an earlier pledge to invite Arafat to his private home in Caesarea, hosted the Palestinian leader for lunch Tuesday. Speaking at a joint news conference, the two called for an end to violence and renewed efforts to advance the peace process. Arafat promised that Palestinian police would not fire again on Israeli soldiers.

European leaders also have been anxious to lend their support to the renewed efforts to put the bruised peace process back together. Irish Foreign Minister Dick Spring, whose country holds the rotating presidency to the European Union, arrived here Sunday to conduct his own talks with the political leadership. While Israel appears to have rejected a Palestinian proposal that an E.U. emissary participate at the talks alongside U.S. Middle East envoy Dennis Ross, Spring's presence in the area was intended to register the E.U.'s intense desire to see the talks succeed.

Meanwhile, within Netanyahu's coalition, the forces supporting a more moderate line were regrouping to back the premier's decision to bring about the redeployment.

Knesset member Yehuda Harel, the moving spirit in the Third Way Party, said Monday that his faction would demand that the Hebron redeployment go forward, a view also supported by the Orthodox Sephardi Shas Party.

Yisrael Ba'Aliyah was also expected to give its backing to the redeployment when a Knesset vote comes, despite party leader Natan Sharansky's reservations expressed during the Washington summit.

In the end, however, Netanyahu can count on the opposition if he finds himself short of a vote or two.

"He needn't worry about Begin or Landau," said Labor Knesset member Yossi Beilin, "I will give him my vote instead of theirs." □

**2 women may be oldest immigrants**

JERUSALEM (JTA) — As if their longevity was not enough of an accomplishment, two women who recently made aliyah may also hold the record of being the world's oldest immigrants.

The Jewish Agency was contacted this week by the Guinness Book of World Records for information about Rachel Shmashiashvili, 111, who arrived here from the former Soviet republic of Georgia this week, and another 111-year-old woman, who came from the Russian province of Chechnya several months ago, the Israeli daily Ma'ariv reported. □

**Russian leaders honor Jews at synagogue groundbreaking***By Lev Krichevsky*

MOSCOW (JTA) — Russia's prime minister and other government officials provided significant support to the country's Jewish community during a groundbreaking ceremony here this week for a new synagogue.

The synagogue will be erected in memory of the 2.7 million Soviet Jews who perished during the Holocaust, said Prime Minister Viktor Chernomyrdin, who helped lay the foundation Tuesday for the synagogue at Victory Park.

The placement of the synagogue, which will stand alongside an Orthodox church and a mosque, reflects a long-awaited show of religious unity.

With the synagogue's inclusion in Victory Park, a state complex that honors Russia's sacrifices in World War II, the Jewish contribution to Russian history was given an equal footing with the country's Christian and Muslim populations.

The synagogue is expected to be completed in time for the celebration of Moscow's 850th birthday in September 1997. The Orthodox church already stands in the park; the mosque is yet to be built.

The presence of leading government officials at the groundbreaking ceremony — and their evident support of the synagogue project — was hailed by Jewish leaders.

"This is a significant event for the entire world," said Tankred Golenpolsky, publisher of the Moscow-based biweekly newspaper *Yevreyskaya Gazeta*.

"Russia was the last stronghold of state-sponsored anti-Semitism in the postwar world. Today, the country's prime minister has renounced anti-Semitism."

Chernomyrdin and other government officials used the occasion to focus on the contribution of the country's Jews to the defeat of Nazism.

Chernomyrdin also spoke movingly about the Holocaust.

"When every third [Jew] died, no one from the living has the right to forget it," Chernomyrdin said, referring to the one-third of world Jewry that perished during the Holocaust.

**Still evokes strong emotions**

Other government leaders called for an end to anti-Semitism, saying that only a unified Russia could build a secure future.

"The synagogue will be a reminder" to those who subscribe to ultranationalist and supremacist theories, said Moscow Deputy Mayor Valery Shantsev.

Jewish leaders said the synagogue marked the long way Russian democracy has come.

"I remember coming to this country 20 years ago, when such an event could not have happened," said Israel Singer, secretary general of the World Jewish Congress, who came to Moscow for the ceremony.

The memory of World War II still evokes strong emotions in Russia, which lost millions of citizens during the war.

About 2 million people visit Victory Park annually, according to Moscow officials.

For Jewish war veterans, who have long battled the stereotype that Jews made little contribution to the war effort, the government's backing of the synagogue project provided a long-awaited moment of vindication, said Moisey Maryanovsky, chairman of the Union of Disabled Jewish War Veterans.

"We have been waiting for more than 50 years for these words," he said.

"Now Russia will see that our sacrifices were not in vain," said another veteran, Abram Kremer, who lost

his leg at the front and whose family was killed in a ghetto in Lithuania.

To the accompaniment of a Jewish choir, Chernomyrdin and other officials broke ground for the synagogue in a grove at the memorial park.

A time capsule containing a letter in Russian and Hebrew was placed at the site to commemorate the groundbreaking.

The synagogue's construction was funded by the Russian Jewish Congress, the group created earlier this year by some of Russia's most prominent Jewish bankers and businessmen.

Vladimir Goussinsky, the congress' president, described the project as costly, but would not say how much his group had raised.

The synagogue will be designed by Israeli architect Moshe Zarhi and artist Frank Meisler.

According to Moscow Chief Rabbi Pinchas Goldschmidt, the newly constructed building may house both a synagogue and a small Holocaust memorial.

Some Jewish leaders voiced criticism of the project.

Anti-fascist activist Alla Gerber said she was disappointed to learn that the Jewish portion of Victory Park would not include a Holocaust museum.

"It's a shame that a country like Russia has no such museum," said Gerber, who serves as president of the Moscow-based Holocaust Research and Education Center.

"Most Russians still don't know what happened to Jews during the war." □

**Argentina pursues lead linking AMIA bombing to U.S. neo-Nazis***By Sergio Kiernan*

BUENOS AIRES (JTA) — The official in charge of investigating the July 1994 bombing of the Jewish community center here is pursuing a lead that links suspects arrested in connection with the case to American neo-Nazi groups, sources close to the case said.

At least one suspect arrested in December during raids in and around a major military base outside Buenos Aires was found in possession of a sizable amount of American neo-Nazi literature, the sources said.

Police found hidden at the suspect's residence several books, leaflets and magazines edited by a group called White Aryan Resistance, which was founded by American extremist Tom Metzger.

Sources said Judge Juan Jose Galeano, who is in charge of the case, is investigating the extent of influence that group and other American militia movements may have in Argentina.

Jewish leaders here and abroad have complained about what they describe as the slow pace of the investigation, which has to date provided no satisfactory explanation for the attack.

The bombing that destroyed the headquarters of the Argentine Jewish Mutual Aid Association, or AMIA, left 86 dead and more than 300 wounded.

An earlier attack on the Israeli Embassy in Buenos Aires also remains unsolved. The car bombing of the embassy in March 1992 killed 29 people and left more than 100 injured.

Making his first public statement about the case in months, Galeano apologized this week for the length of time the AMIA investigation has taken.

"It has not been easy. We are not experts in terrorism," he said. "People must understand that the courts are making great strides in trying to solve the AMIA bombing, and that some of the information is too sensitive to be divulged." □