



## NEWS AT A GLANCE

■ Israeli security officials said the Palestinian Authority is not doing enough to combat Islamic terrorist activities against the Jewish state. Appearing before the Knesset Foreign Affairs and Defense Committee, Maj. Gen. Moshe Ya'alon said the authority was still using violence and terrorist activities to achieve political goals. [Page 3]

■ The board of the United Jewish Appeal, which is meeting in New York, unanimously recommended that a partnership be established between the UJA and the Council of Jewish Federations. The CJF is expected to act on the measure at its quarterly meeting in Washington next week, to be followed in May by a nationwide vote via satellite.

■ The Turkish prime minister called on Israel to stop building new settlements in and around Jerusalem and to withdraw from "land it has occupied for years." Necmettin Erbakan made the remarks in front of visiting Israeli Foreign Minister David Levy, who said their talks had a frosty start, but eventually warmed up. [Page 2]

■ Russian President Boris Yeltsin said he was worried by tensions in the southern Lebanon security zone. Yeltsin, who is holding meetings with Lebanon's prime minister, also expressed concern about Israel's decision to "settle Jewish residents in Arab quarters of Jerusalem," a Kremlin spokesman said.

■ Jordanian police detained 11 youths accused of planning a terrorist attack on Israel's embassy in Amman. The youths are also suspected of forming an illegal organization and distributing subversive materials, sources in Amman said.

■ Seventy headstones were destroyed at a Jewish cemetery in Kosice, in eastern Slovakia. A memorial to Holocaust victims was also damaged.

■ Portugal agreed to create an independent panel to probe the nation's financial dealings with Nazi Germany, particularly on the question of looted gold, according to the World Jewish Congress.

## Museum head: Most of exhibit purchased, not looted, by Nazis

By Lee Yanowitch

PARIS (JTA) — Seeking to disprove charges that it was concealing works of art seized by the Nazi occupiers, France this week unveiled some 987 paintings, drawings and sculptures that have not been claimed by their owners or heirs since the end of World War II.

But as five state-run museums, including the Louvre, the Pompidou Centre and the Musee d'Orsay, opened exhibits of the works, a new controversy erupted.

The fray developed after the head of France's national museums said that the majority of the works, which include paintings by Renoir, Monet and Cezanne, were legally purchased during the war, and that few were looted from Jews.

"The Germans were extraordinarily meticulous," according to Francoise Cachin, director of the national museum network, the Musees de France.

"The documentation shows that the majority of these paintings were bought, clearly and publicly in the flourishing Paris art market."

Cachin's statements provoked an angry protest from the French section of the World Jewish Congress, which accused the museums of hiding the art for 50 years.

Serge Czajgenbaum, secretary general of the WJC's French section, said in an interview that the property of 66,000 Jewish families was looted by the Nazis during the war.

"As of July 1940, the German ambassador to France, Otto Abetz, began an inventory of Jewish art works," Czajgenbaum said.

"Within a few months, the embassy was the center of a huge art market," he added. "It was the fruits of massive pillaging of the Jews of France."

Czajgenbaum said the Germans covered up their theft by selling works looted from Jews to collaborationist art dealers, who in turn sold them to buyers for German museums.

"There was a whole cycle of theft, looting and reselling stolen works."

In a statement, the WJC's French section expressed its "extreme surprise" at Cachin's attitude.

"While admitting that a tiny portion of these art works had been legally acquired, one cannot speak of a 'flourishing art market' in Paris during the occupation, but rather of flourishing art trafficking, of theft, of plundering and selling stolen works," the statement said.

Many observers saw the French museum exhibits as a positive sign of the postwar generation's desire to shed light on France's wartime role.

### 'Reality is more complex than the rumors'

But some said the government had no choice but to display the works after a damning report by France's state-spending watchdog, the Cour des Comptes, was leaked to the media in January.

That report had accused France's state museums of making little or no effort to seek out the owners of some 2,000 art works plundered during the war.

The government, which recently formed a commission to investigate Jewish property looted by the Nazis, has said it welcomed legitimate claims to the art.

But the government apparently believes that few owners will step forward.

"I want to show that the reality is more complex than the rumors which would lead us to believe that French museums have hidden away veritable masterpieces seized from Jewish families by the Nazis," Culture Minister Philippe Douste-Blazy said at a preview of the Musee d'Orsay exhibit.

"If I have decided to have these works presented, it is by a desire for openness," Douste-Blazy added, standing before a massive 1870 oil by Courbet titled "The Cliffs of Etretat After a Storm."

The Musee d'Orsay exhibit also included several works by Monet,

including his 1876 oil "Train in the Countryside" and "View of Argenteuil" from 1872; pastels by Degas; and a self-portrait by Cezanne.

Many of the displayed works were accompanied by labels tracing their past ownership to disprove accusations the art had in fact originally belonged to Jews.

But several others — including Renoir's pastel "Head of a Young Girl," his oil "Meeting in a Garden" and Manet's watercolor "Turkeys and a Duck" simply bore the label "Origin: Unknown."

In an announcement that appeared to be timed to coincide with the exhibits, the French Foreign Ministry said it was in the process of returning three works to the heirs of the original owners.

The works, including a 1921 Picasso painting "Woman's Head," are among 38 works on display at the Pompidou Centre until April 21.

The largest collection is at the Louvre, where 678 unclaimed works, including paintings by Corot, Rubens and Delacroix, will be shown until May 5.

The Simon Wiesenthal Center has asked France to send the complete collection of works on an international tour that would start at the Museum of Tolerance at the center's Los Angeles headquarters.

The Simon Wiesenthal Center made the suggestion in order "to permit Holocaust survivors in the United States the opportunity to verify potential claims to these pieces."

Of 61,257 works that France recovered from Germany, 45,441 were returned to their rightful owners in the years immediately after the war.

The remaining 15,858 were displayed between 1950 and 1954 at the Chateau of Compiègne about 60 miles north of Paris.

That exhibition resulted in approximately seven claims.

The government then sold 13,800 minor works and entrusted the rest to the national museums.

The museums were under a legal obligation to try to find the owners.

When the current exhibitions end, the government commission probing Jewish property will make recommendations about the future of the works.

Some observers have expressed concern that, having made the gesture of mounting the displays, the government may propose legislation making state museums the legal owners of the works, using the argument that no more legal claimants exist. □

## Israeli foreign minister visits Turkey in effort to better ties

By Naomi Segal

JERUSALEM (JTA) — Foreign Minister David Levy made a two-day visit to Turkey this week in an effort to strengthen ties with the predominantly Muslim country.

His visit, which began Tuesday, comes a week after the Turkish Parliament ratified a free-trade agreement with Israel.

Turkish President Suleyman Demirel this week approved the pact, which goes into effect May 1.

Turkey's secularist generals seek closer ties with the Jewish state, a move resisted by Islamist Prime Minister Necmettin Erbakan, who grudgingly agreed to meet with Levy.

During the meeting, Erbakan called on Israel to stop its construction activities in Jerusalem and the territories, adding that Israel should withdraw from "land it has occupied for years."

The highly critical Erbakan also stressed that Jerusalem is holy not only for Jews, but for Muslims and

Christians as well, and that the Muslims need to be sure that their holy sites in the city are protected.

Levy impassively responded that Israel had given Jerusalem's holy sites the best protection they ever had.

Levy also said construction in Jerusalem was Israel's sovereign right and that it did not violate any agreements.

The talks Tuesday marked the first time that Turkey's Islamist prime minister met with an Israel political leader.

A strong critic of Israel, Erbakan has until now refused to respond to messages sent by Prime Minister Benjamin Netanyahu, and only conveyed his agreement to meet with Levy at the last minute.

Despite their political differences, both Israel and Turkey have expressed interest in deepening cooperation in other realms.

The Turkish army chief of staff has expressed interest in a proposal for joint naval maneuvers with Israel and the United States.

Such exercises, which are expected to be finalized later this month, would be another step in tightening military cooperation between the sides.

Under a defense pact signed by the two countries last year, Israeli planes have carried out exercises from Turkish military air bases, senior military officials have visited each other's countries and the Jewish state has begun modifying Phantom jet fighters for the Turkish air force.

Levy's visit to Turkey came as international criticism increased against Israel for its recent decision to build a new Jewish neighborhood in eastern Jerusalem, a move that has prompted three weeks of violent Palestinian protests.

At a meeting Tuesday in New Delhi, foreign ministers of the Non-Aligned Movement called on members to freeze diplomatic ties with Israel.

The group, made up of developing nations, issued the call soon after the Arab League's similar recommendation.

The foreign ministers also called for an urgent session of the U.N. General Assembly to discuss what they described as Israel's violations of U.N. resolutions.

In a separate development, the Persian Gulf state of Oman this week confirmed that it had denied entry visas to two Israeli diplomats, a move that Omani officials said came as a result of the Arab League recommendation.

Oman also has barred Israeli participation at a communications exhibition in the capital of Muscat. □

## Ministry: Wash out money-laundering

By Naomi Segal

JERUSALEM (JTA) — The Justice Ministry is pushing for tougher punishments for money laundering in Israel.

The ministry called this week for new legislation, saying that no other effective means was available to combat the problem.

Officials are concerned that the problem could become more widespread in Israel as the peace process, new drug routes and increased organized crime activities create additional "avenues" for laundering money.

The ministry wants legislation that would require banks to report any suspicious business deals and that would slap a 10-year prison sentence on those convicted of the crime.

In a related development, Israeli police officials announced last week that their international crime-fighting division would increase fivefold to combat Russian organized crime in the Jewish state. □

## Israeli security officials: Arafat condones militant acts

By Naomi Segal

JERUSALEM (JTA) — Israeli security officials said this week that the Palestinian Authority is not taking steps to dismantle the infrastructure of Islamic militant groups in the self-rule areas.

The head of the Israel Defense Force intelligence branch, Maj. Gen. Moshe Ya'alon, told the Knesset Foreign Affairs and Defense Committee that Palestinian security forces had made efforts to prevent violence when there are specific warnings about a pending attack.

But he said Wednesday that the Palestinian Authority had not moved to prevent militant groups from obtaining weapons and organizing.

After the March 21 suicide bombing at a Tel Aviv cafe that killed three Israelis, Prime Minister Benjamin Netanyahu accused Palestinian Authority leader Yasser Arafat of giving a green light to Hamas and other groups to carry out terror attacks.

Ya'alon told the Knesset committee that Arafat had not made any effort to convey to the militants that they could not carry out attacks against Israel.

He added that the Palestinian Authority was still using violence and terrorist attacks to achieve political objectives.

Ya'alon disclosed that Palestinian security forces had arrested a number of people suspected of involvement in planning two unsuccessful suicide bombings against Jewish settlements in Gaza earlier this month, but it was unclear whether they had been tried.

The military arm of the Islamic Jihad had issued a statement claiming responsibility for the April 1 attacks, in which two suicide-bombers blew themselves up. No Israelis were injured in the blasts.

Meanwhile, Defense Minister Yitzhak Mordechai said there was a "reasonable" level of cooperation between Israeli and Palestinian security forces in different areas of the territories.

But he, too, said the self-rule authority was not taking any measures against terrorist activities.

### Israel to ease closure

Mordechai, who met with senior security officials Wednesday to discuss the situation in the territories, said that despite ongoing security warnings of possible terrorist attacks, he had decided on a further easing of a closure of the West Bank and Gaza Strip for humanitarian purposes.

Israel sealed off the territories last month after the Tel Aviv cafe suicide attack.

Meanwhile, unrest continued Wednesday in the West Bank town of Hebron as Israeli soldiers wounded some 30 Palestinians in clashes.

An Israeli border police officer and a photographer were also hurt.

The disturbances came in the wake of heavier clashes the previous day, when two Palestinians were killed and more than 100 wounded in clashes with Israeli troops in Hebron.

That conflict was sparked by the death of another Arab in Hebron by two Jewish seminary students, who police have said were acting in self-defense.

The two students were released from custody Wednesday.

Police are still examining whether the students were in a life-threatening situation.

In another development, a Jerusalem court extended the detention of a Jewish settler who opened fire and wounded two Palestinian youths in the village of Harbata earlier this week after his car was stoned.

Witnesses claimed that the man, identified as Yossi Levy of the Dolev settlement, had stopped his car and began firing at the youths, who were not involved in stone-throwing. □

## Ex-official: Hezbollah network of operatives active in Canada

By Bill Gladstone

TORONTO (JTA) — An underground network of some 50 to 100 operatives are directly involved in Hezbollah activities in Canada, according to a former official of the Canadian Security Intelligence Service.

David Harris, former chief of strategic planning for the security agency, told the Toronto-based Globe and Mail newspaper Monday that Hezbollah operatives are likely raising funds, gathering intelligence and collecting weapons in Canada.

His comments come a week after the agency maintained in a court document subsequently made public that the pro-Iranian fundamentalist movement headquartered in Lebanon had established "an infrastructure" in Canada involving people who "receive and comply with direction from the Hezbollah leadership hierarchy in Lebanon."

The claim was made by the agency in a Federal Court document that provided evidence in a deportation case against Hani Abd Rahim al-Sayegh, a Saudi national who applied for refugee status upon arriving in Canada in August.

After reports late last month of Hezbollah's presence, the Canadian Jewish Congress issued a statement urging the Canadian government to take stronger action against terrorists here.

The Canadian Arab Federation, meanwhile, called upon the government to refrain from creating a climate of accusations and paranoia in the absence of concrete evidence.

Sayegh was allegedly involved in the June 25, 1996, terrorist bombing in Dhahran, Saudi Arabia, that killed 19 U.S. soldiers and wounded nearly 400 others. Both the United States and Saudi Arabia are seeking his extradition.

He was arrested March 18 in Ottawa.

"I think that the intelligence community of Canada has done a good job in terms of identifying this person and deterring him," said Rob Ritter, executive director of the Canada-Israel Committee, a Canadian organization that promotes relations between the two countries.

"However, we have many concerns regarding the infiltration of Hezbollah terrorists into Canada. This is not a surprise to us — we expected their existence for a long time.

"Hezbollah's networking is probably global, and Canada is probably one of many of their international addresses."

Much of the security agency's information about Hezbollah activities in Canada apparently originated with Mohammed Hussein al-Husseini, who came here as a refugee in 1991 but was later deemed a terrorist threat and deported to Lebanon.

While much of the agency's information on Hussein and Sayegh is sealed, the agency's public summary of evidence in the Sayegh case consists of hundreds of pages of documents and articles attesting to Hezbollah's presence here.

According to some media reports, Sayegh has acknowledged his association with Hezbollah operatives in Saudi Arabia.

He is being held in maximum-security detention as he awaits an April 28 deportation hearing. □

## Survivors sue insurance firms for failing to honor policies

By Eric J. Greenberg  
New York Jewish Week

NEW YORK (JTA) — Now it's European insurance companies who are accused of cheating Holocaust survivors.

A federal class-action lawsuit filed last week by nine Holocaust survivors alleges that seven European insurance companies failed to honor life and property insurance policies purchased before World War II by Jewish citizens nervous about the growing Nazi movement.

Instead, the suit claims, the companies used the ill-gotten funds to fuel Nazi Germany's war machine, enrich individual Nazi officials or aid other postwar governments.

The survivors include a number of New York City residents in their 60s and 70s who emigrated from Germany, Austria, Poland and Czechoslovakia.

Their families died during the war, many in concentration camps. The suit, filed in U.S. District Court for the Southern District, seeks billions of dollars in denied life insurance benefits from European insurers based in Germany, Austria, Italy and France.

Several of the insurers have business agreements with Aetna Life & Casualty in the United States and all regularly conduct business in New York state — so they come under the jurisdiction of the Federal District court, according to a spokesman for the three law firms that jointly filed the class action suit: Fagan & Associates, Anderson Kill & Olick, and Kohn Swift & Graf.

The firms estimated that the class action suit would involve more than 10,000 claimants with average claims exceeding \$75,000. Some of the European companies include Assurances Generales de France, Allianz AG of Germany, and Generali and Riunione Adriatica di Sicurtà of Italy.

One attorney for the survivors, Steven Cooper, said that even though some of his clients have the original policies, some companies refused to pay up, saying that they needed proof — such as death certificates.

"They knew full well that Auschwitz doesn't issue death certificates," he said.

The insurance companies also refused to honor policies by claiming that they could not locate them, that policies were canceled after policyholders stopped paying premiums or that insurance holdings were nationalized after the war by Communist governments.

"The companies did not have the right to turn over the property of foreign nationals to those governments," said attorney Edward Fagan, who organized the class action suit.

Fagan also is co-lead counsel in *Weiss Haus vs. UBS et al.*, in which Holocaust victims are seeking to recover billions in assets deposited in Swiss banks before World War II. □

## Upscale kosher restaurant thrives in Prague's Old Town

By Ruth E. Gruber

PRAGUE (JTA) — "You know what makes me happy?" says restaurateur Amos Fellah.

"It's when someone who has eaten dinner upstairs asks for an after-dinner espresso with milk in it — and then I have to explain to him why he can't."

Fellah, a 29-year-old Israeli, is the manager of Metzada, a strictly kosher restaurant that opened recently on Michalska Street in the heart of Prague's picturesque Old Town.

"Upstairs" is the meat section, a cozy dining room seating 55, elegantly decorated with old furniture, paintings, photographs and fixtures designed to evoke the atmosphere of a prewar Central European Jewish home.

Downstairs, on street level, is the dairy section, a more casual, cafe-style environment offering snacks and light meals against a background of dried flowers, potted palm trees and cool jazz.

"If someone asks for milk in his coffee upstairs, it means he came here not knowing what kosher means," Fellah says.

"It gives me the opportunity to explain about kashrut and our traditions."

Metzada is an upscale kosher restaurant for the public at large, not just observant Jews, according to Fellah.

"We don't want this to be just a kosher kiosk," he says.

"We want this to be like any other exclusive restaurant in town — top quality."

Metzada's downstairs dairy restaurant and cafe opened about the end of February. The menu includes mostly Israeli food such as falafel, hummus and tahini, plus salads and other vegetarian fare and pastries.

Prices are moderate by Western standards — it is possible to have a light lunch or snack for less than \$5.

The meat restaurant upstairs opened in late March and aims to attract the business and professional communities as well as tourists.

The menu includes Central European Jewish specialties such as stuffed carp and roast duck with cabbage. Dinner for two with wine — kosher, from Israel — could easily cost more than \$75.

"It's expensive, but why not? This is an expensive restaurant," Fellah says. "Plus, just being kosher means that there are extra expenses."

Metzada maintains separate dairy and meat kitchens.

The premises and equipment are inspected and certified by Prague's rabbi, who also selected a mashgiach to supervise food preparation.

A shochet, a ritual slaughterer, is brought in from abroad.

A Czech-born Israeli chef taught local, non-Jewish chefs how to prepare the dishes.

"You can imagine the problems I had teaching the waiters and other personnel," Fellah says.

"Telling them that, for example, if they are missing a fork upstairs they just can't come and get a fork from downstairs."

## Millions of tourists each year

Until Metzada opened, observant people could eat kosher food only in a little snack bar in the Jewish quarter, or in the restaurant housed in the Jewish community building, the Jewish Town Hall, where the food, ambience and service are no-frills.

Fellah says he wants Metzada to take its place among other top-of-the-line ethnic restaurants in Prague's rapidly expanding dining scene.

The establishment is one of a growing number of Israeli-run businesses in the Czech Republic, such as the clothing chain Himi Jeans.

Metzada's founder and general manager is Israeli Eli O'Hayon, an observant Jew who has lived in Prague for six years.

Millions of tourists visit Prague each year. These visitors include many Jews, drawn by the famous old Jewish Quarter and Jewish Museum.

Three locally run Jewish travel agencies operate in Prague, specializing in tours of Jewish sites. □