

NEWS AT A GLANCE

■ At least six Lebanese civilians were killed and more than 40 wounded in shelling of the southern Lebanese town of Sidon by the Israel-allied South Lebanon Army. Israel denied any involvement in the attack. Hezbollah forces retaliated by firing Katyusha rockets at two southern Lebanese towns.

■ Israel will transfer some \$12 million in tax revenues it owes the Palestinian Authority. The Prime Minister's Office said the decision to release the funds was made because of "partial cooperation" by the Palestinian Authority in the investigation of last month's twin suicide bombing in Jerusalem and the authority's swift capture of the murderers of an Israeli cab driver. [Page 3]

■ The American Jewish Joint Distribution Committee will investigate whether it paid back all of the loans it received during World War II. The JDC provided massive relief and rescue operations during the war with the help of money from European Jews. [Page 3]

■ A class-action suit filed against 16 European insurance companies will seek \$16 billion for policies not paid out to Holocaust victims or their survivors. An initial hearing in the case will be held Wednesday in New York, according to a lawyer for the plaintiffs.

■ Tunisia asked its chief representative in Israel to leave the Jewish state, according to news reports. The Omani representative left six months ago. The moves have come against the backdrop of the stalled peace process.

■ The trade balance between Israel and Jordan was almost even during the first half of 1997. Israel exported \$6.57 million between January and June, while Jordan sent \$6.12 million to Israel. Cross-border trade between the two countries began in mid-1996.

■ Ballots were mailed to the roughly 150,000 voters in the U.S. election of delegates to the 33rd World Zionist Congress slated for December in Jerusalem. The deadline to return the ballots is Sept. 30.

BEHIND THE HEADLINES**Swiss bash for Zionism's 100th clouded by confusion, disarray**

By Fredy Rom

BASEL, Switzerland (JTA) — The Swiss are throwing a 100th birthday bash for Zionism, but the party atmosphere appears likely to be muted by anguish over the host's wartime history and poor promotion.

Unusually heavy security surrounding the event is also likely to mar the festivities by underscoring the recent rise in anti-Semitic incidents in the country.

The weeklong celebration will culminate Aug. 31 on the date and in the hall where the journalist Theodor Herzl concluded the first Zionist Congress a hundred years ago, laying the foundation for the birth of the Jewish state.

Paltry participation — at least from North America — and the tepid interest from Israeli officials are foiling Swiss efforts to use the centennial as an international showcase of goodwill toward Jews.

The Swiss are still reeling from the international outcry over revelations that they profited from their wartime dealings with the Nazis and failed to return bank accounts and other Jewish assets to their rightful owners after the war.

Against this backdrop, the country had hoped that a few thousand Jewish leaders from around the world would attend the centennial.

In fact, only a few more than 1,000 are expected, with participation from North America especially light.

In addition to their ambivalence about the Swiss and to the organizational disarray, Zionist activists seem more primed for the official 33rd World Zionist Congress in the last week of December in Jerusalem. There delegates from around the world will live out Herzl's legacy by thrashing out Zionist policies and priorities on topics ranging from religious pluralism to the peace process.

A mission of American Zionist leaders to the Basel event, spearheaded by the American Zionist Movement and led by Ruth Popkin, a longtime Hadassah and Jewish National Fund leader, numbers only 35.

The rest of the North American contingent totals roughly 100, mostly Holocaust survivors.

This group was organized by Phil Blazer, a West Coast media entrepreneur named by Basel celebration organizers to chair the centennial effort here.

Dennis Rhein, the head of the Basel tourist board who appointed Blazer, said he is satisfied with the bookings. He said 500 people are coming from Israel and 400 from elsewhere in the world.

Blazer said that while he had originally hoped to bring 500 people from North America, he is also content.

"As the Swiss banks thing came out, I realized if 100 people came it would be a miracle," he said.

Price tag may have kept people away

For their part, U.S. sources say the \$3,000 price tag of Blazer's travel package kept more people from going to Basel.

AZM leaders said that because they did not want to compete with Blazer's marketing efforts, they did not do widespread outreach.

The commemorative event is officially sponsored by the government of Basel in partnership with the World Zionist Organization.

In fact, the Basel centennial originally was the WZO's brainchild. But the WZO ultimately was forced to yield the lion's share of control in the face of the deluge of Swiss money lavished on the event.

The Swiss are spending approximately \$2 million, with private sponsors, including banks and the Jewish community, kicking in an estimated \$500,000, according to Rhein.

Some of these costs cover extraordinary security measures.

More than 1,000 Swiss police and soldiers are slated to be deployed to protect delegates.

They will be augmented by Israeli security personnel.

Even the air space over Basel is being declared off-limits to civilian

planes. "It is in the interests of Switzerland that these important events can take place in a secure and peaceful atmosphere," Defense Minister Adolf Ogi said.

But in New York, Elan Steinberg, executive director of the World Jewish Congress, which spearheaded the fight for Swiss restitution of Jewish assets lost during the war, said it is incumbent upon the Swiss to do more than be "congenial hosts" by supplying sightseeing and security.

"This is an opportunity for the Swiss to come to grips with the reality that history has imposed upon them in the past two years," said Steinberg, whose organization will be represented at the centennial.

"They should seize the opportunity to face up to the growing tide of anti-Semitism" in Switzerland, which is seen as a backlash to the recent events involving looted Nazi gold.

For their part, the Israelis have not been making it easy for the Swiss to revel in their own display of good will.

Swiss disappointment in the Israelis began in January when Israeli President Ezer Weizman canceled his participation in the event, which the Swiss believed had been confirmed.

Weizman's official cancellation came soon after former Swiss President Jean-Pascal Delamuraz said in an interview that Jewish calls for restitution amounted to "blackmail."

Knesset Speaker Dan Tichon will replace Weizman, along with a delegation of five Knesset members. Rhein said their expenses once in Switzerland will be paid for by the Basel government.

Ironing out discord

Discord over the event prompted the Israeli ambassador to Switzerland, Gabriel Padon, to write a harsh letter to the Foreign Ministry in Jerusalem criticizing his government's lack of interest and cooperation in the festivities.

Some sources say the Israeli government's disinterest in the event has no political origin or diplomatic meaning. They said officials have been indifferent ever since the WZO approached them for help with the event years ago.

Others say there was discord that had to be ironed out between the WZO and the Swiss over the content of — and participants in — an academic symposium on Zionism that will precede the commemorative festivities.

They said the WZO complained that some of the scholars were anti-Zionist and managed to "convince the Swiss that it would be a disaster" to include them in the symposium.

Rhein sought to put all of the tensions into perspective.

"It is true that we had problems, but this is the past," he said, adding that the preparations were now going smoothly.

But some still have frustrations.

Shoshana Cardin, the chair of the United Israel Appeal and co-chair of AZM's mission to Basel, said there was an inexplicable "breakdown" in planning and outreach.

She also said the program for the AZM delegation, which begins Aug. 29 after the academic symposium ends, is long on sightseeing and short on substance.

Despite her disappointment, Cardin said she felt compelled to return to the site where it all began.

"I want to see what it means," she said. "Is there going to be a second century of Zionism?" □

(JTA staff writer Cynthia Mann in New York contributed to this report.)

Search of graves adds credence to tales of stolen Yemenite kids

By Naomi Segal

JERUSALEM (JTA) — Israeli investigators who opened several graves of Yemenite babies reportedly found them empty, giving possible support to claims by members of Israel's Yemenite community that the children were given away for illegal adoption in the early years of the Jewish state.

Israel Television reported Saturday that four graves in Tel Aviv's Kiryat Shaul Cemetery were opened Aug. 13 with a rabbi and family members present.

All of the children believed to be buried in the graves were hospitalized when they were a few months old.

Their parents never saw them again — they were told that their children had passed away while in the hospital.

Three of the graves examined last week were empty, while some bone remains were discovered in the fourth.

Members of Israel's Yemenite community have charged for years that hundreds of babies said to be dead had actually been given to adoptive parents of European descent.

If true, the charges could further damage already strained relations between Israel's Ashkenazi and Sephardi communities.

Last week's exhumations were not conclusive. A forensic examiner quoted in the Israeli daily Yediot Achronot said it could not be claimed with certainty that the graves contained no bones until a thorough examination had been conducted.

Tales of missing children are so widespread in Israel's Yemenite community that two government commissions have investigated the allegations.

The two commissions looked into the cases of 643 missing Yemenite children and found that 542 died, four were adopted and 87 could not be accounted for.

The panels attributed the disappearances to the chaos of mass immigration in the late 1940s and early 1950s.

Approximately 45,000 Yemenite Jews immigrated to Israel during that time.

Leaders of the Yemenite community dismissed the findings as a whitewash. □

Israel unveils statue of 'the king'

JERUSALEM (JTA) — Memphis has nothing on Jerusalem.

At least that's the way Elvis Presley fans in the Jewish state would have it.

Hundreds of them gathered Saturday at what was touted as the world's largest statue of the king of rock 'n' roll was unveiled outside Jerusalem.

Some of the fans wore Elvis costumes; others performed their own renditions of the king's hits.

The bronze statue, designed by Israeli sculptor Richard Shiloh, was erected outside the Elvis Inn, a gas station and restaurant run by a devotee of the king, Eli Yoeli.

The statue, unveiled during a ceremony marking the anniversary of Elvis' death, was erected alongside a smaller white statue of the singer that has stood outside the restaurant for years.

Inside the restaurant, the walls are adorned with Elvis memorabilia.

Visitors can listen to Elvis tunes while dining on such regional fare as hummus and tahina. □

BEHIND THE HEADLINES**Search for Swiss accounts spurs Jewish group to settle its record***By Daniel Kurtzman*

WASHINGTON (JTA) — Spurred in part by the search for dormant Jewish accounts in Swiss banks, the American Jewish Joint Distribution Committee has begun looking at its own wartime financial transactions in the hope of providing a complete historical accounting.

JDC provided massive relief and rescue operations during World War II.

It all happened with the help of European Jews who loaned money to the humanitarian organization.

Half a century later, the JDC is conducting an exhaustive analysis of its records to determine whether all those loans were repaid.

Through its field representatives in Poland, Belgium, France and other occupied countries, JDC officials played a critical role saving Jews from the hands of the Nazis.

In addition to helping Jews get out of Nazi-occupied Europe, JDC helped feed children and the elderly in ghettos and orphanages and provided medical services and other emergency assistance.

The lending operation was crucial to JDC's efforts, which are credited with saving more than 400,000 Jews during the war.

As an American organization, JDC was barred from transferring currency to areas under enemy occupation.

The organization instead sought loans from individual Jews living in Nazi-occupied Europe who were trying to get their money out to the free world.

The loans were made with the understanding that the lenders would be reimbursed when they arrived in free territory.

During and after the war, numerous survivors came forward to be reimbursed, though JDC officials say it remains unclear exactly how many lenders there were, how many came forward and what the total sum of the loans was.

Many never came forward, and it was assumed that those lenders had died during the Holocaust.

Search likely to be daunting

For years, JDC believed it had settled most outstanding debts.

But now, officials say they will delve into masses of files scattered in Israel, Switzerland and the United States to determine whether some of those lenders indeed survived, but for some reason did not come forward to be reimbursed.

"JDC should meet these debts of honor if we find people we owe money to," said Michael Schneider, JDC's executive vice president.

The search through 50-year-old records is likely to be daunting.

Many of the lists kept by the organization's representatives were lost or destroyed during the war, and many of the representatives themselves were killed by the Nazis.

As it was, some lenders who sought reimbursement were only able to produce handwritten notes on cigarette boxes or wrinkled pieces of paper.

An independent research committee, headed by Yitzchak Arad, former chairman of Yad Vashem, the Holocaust museum located in Jerusalem, will soon be appointed.

Schneider said the committee would prepare a report over the course of the next year. After the report is

prepared, the JDC leadership would determine what steps might be appropriate.

The historical accounting comes as Switzerland has found itself embroiled in an unyielding controversy surrounding its handling of Jewish assets from the Holocaust era.

Following revelations that Swiss banks may still be holding untold millions in dormant Jewish bank accounts, Schneider said JDC officials had decided "we just better have a look ourselves" regarding possible outstanding debts.

While the chances of tracking down lenders may be slim, JDC hopes that the search will at least help provide a sense of closure to what Schneider calls "a story of death and disease and disaster and desperation on the part of our people working behind the Nazi lines."

In that respect, Schneider said, it could also serve as a powerful reminder of JDC's courageous rescue and relief efforts, which some historians credit with having done more to help the Jews of Europe than all the countries of the world combined.

"It doesn't do any harm for our kids and grandchildren to know a little history," he said. □

Israel eases sanctions against Palestinians in wake of arrests*By Naomi Segal*

JERUSALEM (JTA)— Israeli-Palestinian relations showed hints of a thaw this week after Israel relaxed some of its sanctions on the self-rule areas.

Israel announced Monday that it would transfer 30 percent of the tax revenues it withheld from the Palestinian Authority since a July 30 suicide bombing in Jerusalem's Mahane Yehuda market. Fourteen Israelis died from the attack.

Prime Minister Benjamin Netanyahu's office said in a statement that the premier had made the decision to release some \$12 million in tax revenues to the Palestinian Authority.

It said the move came because of "partial cooperation" by the Palestinian Authority into the investigation of the July 30 attack and because of the authority's swift capture of three Palestinians who admitted to killing Jerusalem taxi driver Shmuel Ben Baruch over the weekend.

Palestinian Authority officials welcomed the move as a "positive step," but protested that the entire sum was not being handed over.

They claim that Israel owes the authority \$70 million in tax revenues and that the failure to transfer the entire sum was preventing the authority from paying salaries to its employees.

At a meeting Sunday between Israeli, Palestinian and U.S. intelligence officials in the West Bank town of Ramallah, West Bank security chief Jibril Rajoub gave his Israeli counterparts some explosives the Palestinians found last month in a bomb factory in the West Bank town of Beit Sahur.

Israeli officials hope the explosives will help in their investigation of the July 30 attack.

The Palestinians' cooperation in this matter also contributed to Netanyahu's decision to hand over some of the tax revenues.

Netanyahu spokesman Shai Bazak said that although Israel was turning over some of the revenues, it still expected the Palestinian Authority to crack down on terrorism. He added that the sanctions Israel imposed in the wake of the attack, including a full closure on the territories, would be eased relative to the authority's commitment to arrest terrorists. □

Influential N.Y. Jewish legislator claims arrest is a 'political setup'

By Adam Dickter

New York Jewish Week

NEW YORK (JTA) — Facing federal charges of fraud and embezzlement, New York Assemblyman Dov Hikind (D-Brooklyn) is blaming his troubles on politics and Jewish "self-hatred," while supporters are pointing fingers at Mayor Rudolph Giuliani.

Hikind and two co-defendants pleaded not guilty Aug. 12 to charges that they conspired to misappropriate several hundred thousand dollars in charitable funds.

Hikind was indicted by a federal grand jury last week, while Paul Chernick and Rabbi Elimelech Naiman — officials of the Council of Jewish Organizations of Boro Park — were indicted last December and April, respectively.

The charges stem from a city and federal investigation of questions first raised by The Jewish Week two years ago about funding Hikind secured for the social service umbrella in his district.

Hikind, who was released on \$100,000 bail, is charged with accepting at least \$40,000 in payments for travel, office equipment, political fund raising and yeshiva tuition for his children from government funds allocated to COJO. If convicted, he faces up to 10 years in prison. All three defendants are scheduled to be tried May 11.

Following his court appearance Monday on the eve of Tisha B'Av — one of the most solemn days of the Jewish calendar — Hikind clutched a Hebrew book and blamed his troubles on "self-hatred, jealousy and self-interest among Jews."

According to tradition, internecine hatred among Jews led to the destruction of the Holy Temple in Jerusalem, and other historical calamities, on Tisha B'Av.

Hikind's comments about Jewish self-interest differed from those he made last week at a news conference outside a Borough Park pizza shop, just hours before he was indicted. He said the charges were "politically motivated."

'This was a setup'

As his lawyer, Gustave Newman, repeatedly prodded him to say nothing beyond a prepared statement, Hikind said: "I have rocked the boat, and in doing so, incurred the wrath of certain camps." He was surrounded by family, office staff and residents, but no community leaders or elected officials.

Hikind refused to name the "camps" involved, but callers Saturday night to a Jewish radio program, "Talkline," praised Hikind while lashing out at Giuliani and his chief of staff, Bruce Teitelbaum.

Following Giuliani's election in 1993, Hikind reportedly tried to oust Teitelbaum from the mayor's inner circle and boost his brother Pinchus — a staffer in the city's Community Assistance Unit — to the top Jewish liaison position. Giuliani stood by Teitelbaum, and Pinchus Hikind later left City Hall to work for City Comptroller Alan Hevesi, a Hikind ally.

Among the Hikind supporters on the show was businessman and philanthropist Sam Domb, who said in his weekly appearance that "there are certain things that were done. They will be cleared. They are not so terrible.

"Dov grew very fast to become a powerful leader, especially in the Jewish community. Many others don't like it. This was a setup against Dov and against others."

In an interview Monday, Domb said he did not have Giuliani and Teitelbaum in mind when he spoke of a political setup, but declined to name others.

Domb was a co-founder with Hikind of the United

Jewish Coalition, a political action committee. Domb said he parted with the organization due to his wife's illness. But sources said he and Hikind have had differences.

Another caller, identified as Heshy from Borough Park, said, "There is somebody definitely out to get him for a lousy \$15,000 or \$30,000."

None of the callers criticized Hikind; two chastised Brenner for discussing the topic on the air.

Teitelbaum, who is scheduled to appear on next week's "Talkline," refused to comment on the record about the allegations by Hikind and his supporters.

But Abraham Biderman, an Orthodox leader and former city finance commissioner, who has close ties with City Hall, said, "I have discussed this matter with Bruce and other very senior city officials and they assured me that the accusations are not true. They had no personal role in going after COJO or Dov."

Leaders of Jewish organizations have refrained from commenting publicly on the incident, which casts an embarrassing light on both Jewish social services and elected officials. At least one agency is known to be concerned about being tainted by the COJO scandal; the Council of Jewish Organizations of Bay Park recently changed its name to the Jewish Community Council of Kings Bay because its name was too similar to the Borough Park group.

One leader of a local Jewish organization, after reading the indictment against Hikind, said inferences of conspiracy theories and political vendettas should not divert attention from the seriousness of the charges.

"A court of law will determine whether [Hikind] has committed any wrongdoing," said the official. "But based on the indictment, he has much to answer for, regardless of any conspiracy which he claims provoked the indictment." □

Wife of fired bank guard visits home in Switzerland

By Fredy Rom

ZURICH (JTA) — The wife of a former Swiss bank guard who made headlines earlier this year when he rescued Holocaust-era documents from the shredder returned to her home near here this week to collect her belongings.

Giuseppina Meili's return to Switzerland was anything but a happy homecoming, according to New York attorney Edward Fagan, who represents the Meili family and who accompanied her on the trip.

On the flight to Switzerland, "some Swiss passengers refused to sit next to her," Fagan said in an interview. "They treated her like a traitor."

Meili, 26, made the trip to bring the family belongings to the United States, which the family now calls home.

Her husband, Christoph, 29, did not accompany her.

President Clinton last month signed into law a bill unanimously adopted by both houses of Congress granting permanent U.S. residency status to Christoph Meili, his wife and their two children, Miriam, 4, and David, 2.

Meili was making his rounds as a night watchman at the Union Bank of Switzerland in January when he discovered the documents headed for the paper shredder.

He secretly turned over some of them to a Jewish organization in Zurich — a move that created a storm of controversy in Switzerland, cost Meili his job and forced him to flee the country because of threats on his life.

The relevance of the files Meili discovered will be determined by the Bergier Commission — a panel of historians examining the Swiss role during World War II