



NEWS AT A GLANCE

■ **Efforts to arrange a meeting between Israeli Prime Minister Benjamin Netanyahu and Palestinian Authority Chairman Yasser Arafat came as U.S. Middle East envoy Dennis Ross met separately with the two leaders. Joint Israeli-Palestinian committees also met in the first formal peace talks in seven months. [Page 2]**

■ **The Anti-Defamation League called on Israel to extradite a high school student who fled to the Jewish state after allegedly killing another teen-ager in Maryland. A key Republican lawmaker is threatening to hold up U.S. aid to Israel if 17-year-old Samuel Sheinbein is not extradited. [Page 4]**

■ **Swastikas were spray-painted on the Harel Reform Synagogue in Jerusalem. The attack comes after an August arson attack on a Reform preschool in a Jerusalem suburb. Police are investigating both incidents.**

■ **A new World Jewish Congress report claims that nearly one-third of the gold looted by the Nazis came from individuals and private businesses. The report marks the first accounting of looted gold from private sources. [Page 3]**

■ **President Clinton will meet with Argentine Jews during his visit to Buenos Aires next week. Among those invited to meet with the president are relatives of victims killed in the 1994 bombing of the AMIA Jewish community center.**

■ **Czech Holocaust survivors demonstrated outside the German Embassy in Prague. The protest was part of an ongoing campaign by the survivors to have Germany pay compensation for their war-time suffering. [Page 3]**

■ **An analysis of water from the site of this summer's Maccabiah Games bridge collapse revealed that Australian team members "fell into a deadly cocktail of chemicals and pollutants," according to tests conducted by an Australian newspaper. Four Australian athletes died as a result of the July 14 bridge collapse in Israel.**

NEWS ANALYSIS

Catholic Church repentance sparks controversy in France

By Lee Yanowitch

PARIS (JTA) — The French Roman Catholic Church's "statement of repentance" for its silence during the persecution of Jews in Nazi-occupied France has been applauded by most Jewish leaders, but some aspects of it have been called into question by Jews and non-Jews alike.

The Sept. 30 apology, declared on the eve of Rosh Hashanah at the site of the Drancy transit camp outside of Paris — where 64,000 of the 76,000 Jews deported from France during World War II were dispatched to Auschwitz — has left some Jewish officials wanting more.

Jean Kahn, president of the Consistoire, the official body overseeing the religious needs of France's Jewish community, said the church had fallen short of his hopes for a statement recognizing the "specifically Jewish nature of the Shoah."

"Neither the French church nor the Vatican has done so. There is still an important step to be made," Kahn said in an interview.

Furthermore, "the pope, on his way to Brazil, said there were many holocausts, and I find that upsetting," Kahn added, referring to comments Pope John Paul made Oct. 2 about the Drancy apology and whether the Vatican would soon be issuing a document on the Holocaust.

The Vatican's "position on the Holocaust is a clear thing," the pope told reporters aboard the papal jet taking him to Brazil. "But we must not forget that there have been other holocausts in the world. Let's not forget these others."

Kahn also wondered why the French church had waited so long to issue the apology, which came 57 years after the first anti-Semitic laws were promulgated by the pro-Nazi Vichy regime on Oct. 3, 1940.

"It could have been done earlier. It could have been done when the German church apologized two years ago" on the 50th anniversary of the liberation of Auschwitz.

Kahn's reaction sharply contrasted with that of most Jewish community leaders.

Henri Hajdenberg, president of CRIF, the umbrella group of secular French Jewish organizations, hailed the church's mea culpa as a landmark in improving Jewish-Catholic relations.

Request 'gives hope' of 'fraternal dialogue'

"Undoubtedly, the historic significance of your statement will break new ground in relations between Christians and Jews," Hajdenberg said in a speech at last week's ceremony.

"It gives hope of a more fraternal dialogue and full recognition of the legitimacy of each other's faith.

"Your request for forgiveness is so intense, so powerful, so poignant, that it can't but be heard by the surviving victims and their children," he said.

Hajdenberg also paid tribute to seven priests who spoke out during the war against the mass arrests of Jews in France.

Although there were also some Catholic schools and orphanages that helped hide Jewish children, the church leadership largely backed the pro-Nazi Vichy regime.

Hajdenberg spoke after an apology for the church's silence was read on behalf of the bishops of France.

"The vast majority of church officials, bound up in loyalism and docility that went far beyond traditional obedience to the established powers, stuck to an attitude of conformism, caution and abstention," the statement said.

"By their silence, the bishops of France acquiesced to flagrant violations of human rights and allowed the machine of death to be set in motion.

"Today we confess that silence was a mistake. We beg for the pardon of God, and we ask the Jewish people to hear this word of repentance."

By seeking forgiveness, the French church has joined a season of remembrance in France, the focal point of which is the start this week of the

trial of former Cabinet minister Maurice Papon, who is accused of ordering the deportation of 1,560 Jews, 223 of them children, to Nazi death camps.

Some observers noted that the church may have timed its apology to pre-empt disclosures from the trial, which is expected to re-examine the behavior of different sections of wartime French society, including the church, during the persecution of Jews.

French Jewish philosopher Alain Finkielkraut, while praising last week's apology as the crowning of a spiritual revolution in the church, criticized its timing as "distressing because it removes the event from the context of its own history to link it exclusively" to the Papon trial.

"A fine ear is not needed to hear the maundering annoyance of some people who are wondering how long this will go on," Finkielkraut told the *Le Figaro* daily newspaper.

Another sore point in Jewish-Catholic relations in France was the involvement of extremist members of the clergy in hiding former Lyon militia chief Paul Touvier from justice for nearly 50 years before he was arrested and found guilty in 1994 of crimes against humanity by a Versailles court. Touvier died in 1996 in a prison hospital.

The Jewish community was further outraged last year when priest Abbe Pierre, who has long been voted France's most popular figure, defended a longtime friend who cast doubt on the extent of the Holocaust.

Despite its alleged imperfections, the church's apology — along with the Papon trial, and President Jacques Chirac's 1995 public acknowledgment of the wartime French administration's participation in the arrest and deportation of Jews — is one in a long line of gestures that is helping France close a painful and embarrassing chapter from its past.

On Tuesday, France's police union asked for forgiveness for its role in rounding up Jews for deportation during World War II.

Perhaps the most significant aspect of the church's statement, delivered in the presence of some 20 Catholic bishops and several Jewish officials, was the acknowledgment of the role of Catholicism's traditional anti-Semitic teachings in laying the groundwork for the Holocaust.

"We must, above all, recognize the indirect, if not direct role of the habitual anti-Jewish attitude — which the Christian people are guilty of maintaining — in the historical process that led to the Shoah," said the statement, which was read by Olivier de Berranger, bishop of the Paris suburb of Saint-Denis, located near Drancy.

"On that ground flowered the venomous plant of the hatred of the Jews."

The apology was not warmly greeted by all Catholics in a country that long denied its active role in the Final Solution.

Monsignor Thomas, bishop of Versailles, said that several Catholics had protested the church's self-criticism.

"I received a phone call this morning from someone who said, 'You have no right to assume the errors of your predecessors,'" Thomas said. □

Peace process may get boost in wake of failed assassination

By Mitchell Danow

NEW YORK (JTA) — As Israel dealt with the aftermath of a disastrous undercover operation, there were indications that the Israeli-Palestinian peace process may be moving forward.

Israeli Prime Minister Benjamin Netanyahu and Palestinian Authority Chairman Yasser Arafat may soon meet, Israel Radio reported Tuesday.

The meeting would represent an attempt by Israel

to bolster Arafat, whose leadership was overshadowed this week by the victorious return to the Gaza Strip of the spiritual leader of Hamas, Sheik Ahmed Yassin.

Israel released Yassin last week from prison as part of a swap for two Mossad agents held by Jordan for the attempted assassination of Hamas leader Khaled Mashaal in Amman.

The disclosure of the botched Mossad operation was a blow to Israel's prestige of Israel and gave Hamas — and Yassin — a boost among Palestinians.

The incident also hurt Arafat, who was sidelined during the negotiations between Israel and Jordan over the swap, and was thereby denied the glory of winning Yassin's release from an Israeli jail.

Talks between Netanyahu and Arafat would be designed to repair some of that damage.

Word that they might meet soon emerged as Israeli and Palestinian officials returned to the bargaining table after a seven-month suspension of negotiations.

After a ceremonial meeting Monday night involving Foreign Minister David Levy, Arafat deputy Mahmoud Abbas and U.S. Special Middle East Coordinator Dennis Ross, Israeli and Palestinian committees began Tuesday to discuss issues still unresolved from the 1995 Interim Agreement.

The committees were slated to discuss the opening of a seaport and airport in Gaza, a safe-passage route for Palestinians traveling between the West Bank and Gaza, and the release of Palestinian prisoners.

Palestinian negotiator Saeb Erekat said Tuesday that the Palestinians was seeking a "three-month ceiling" for the committees to conclude their work.

As part of the deal with Jordan in the wake of the Mossad fiasco, Israel this week set free 20 Palestinian prisoners.

Another 50 prisoners may soon be released.

Israeli officials, however, were quick to point out that none of those released had Israeli blood on their hands.

Israel's ambassador to the United Nations, Dore Gold, said in a CNN interview Monday that the Palestinians released were guilty of petty crimes and had been near the end of their jail terms.

Palestinian officials broke off negotiations with Israel in mid-March after construction began on the Jewish neighborhood of Har Homa in southeastern Jerusalem.

The committee sessions were set to resume in early August, but were postponed after two Hamas suicide bombers struck July 30 at Jerusalem's Mahane Yehuda open-air market.

This was followed by a Sept. 4 triple suicide bombing at the Ben Yehuda pedestrian mall in downtown Jerusalem.

Twenty-one Israelis died as a result of the two attacks.

Ross, who visited the Middle East this week to serve as mediator for the talks' resumption, spoke of "putting the whole process back on track" after holding separate meetings Tuesday with Netanyahu and Arafat. □

Russian Jewish cemetery desecrated

MOSCOW (JTA) — Vandals have desecrated 14 headstones at a Jewish cemetery in Kurgan, a city of 320,000 southwest of Moscow.

Each of the desecrated headstones was smeared with black paint; some were painted with swastikas.

This was the second act of vandalism to take place at a Russian Jewish cemetery in September.

Vandals recently desecrated 18 tombstones at a cemetery in Malakhovka, a small town near Moscow that earlier in the century had a sizable Jewish population. □

WJC claims a third of Nazi gold looted from individual sources

By Daniel Kurtzman

WASHINGTON (JTA) — Nearly one-third of all gold looted by the Nazis came from individual victims and private businesses, according to a new report issued by the World Jewish Congress.

The report, released Tuesday, claims that the amount of such privately held gold amounted at current valuations to \$2.6 billion out of a total of \$8.5 billion in gold looted by Nazi Germany.

A U.S. government report released earlier this year estimated that the Nazis had seized \$7 billion worth of gold at today's prices, but made no estimate of the amount of privately held gold involved.

The WJC report, written by economist Sidney Zabłudoff, draws from the scrupulous records Nazi Germany kept of all the gold it confiscated between 1933 and 1945 from German citizens, European Jews and the treasuries of occupied countries.

"The precision is down to a single bar of gold," said Elan Steinberg, executive director of the WJC, which has been combing archives in the United States and abroad during the past two years in an effort to locate missing Jewish assets deposited in Swiss banks and to probe Nazi Germany's wartime financial transactions.

The report, based primarily on recently declassified documents from the Federal Reserve Bank and the U.S. Treasury, states that Switzerland was the first stop for 85 percent of the \$5.2 billion worth of gold at current prices that Germany shipped to foreign locations to buy strategic goods and services.

The total amount of gold known to have passed through Switzerland represents \$2 billion to \$3 billion more than Switzerland returned after the war, the report said, concluding that Switzerland still owes that amount if it is to conform with a 1943 Allied declaration that all looted gold handled by neutral nations be returned after the war.

Swiss government questions report

Under an agreement reached in 1946 with the United States, Britain and France, Switzerland agreed to pay \$58 million — worth \$580 million at today's prices — to the gold pool administered by the Tripartite Commission for the Restitution of Monetary Gold.

The Swiss government questioned the report's findings, saying that the Swiss National Bank had already opened its records and provided a full accounting of its wartime gold transactions. "I am somewhat surprised by these results because there is hardly anything that is better known than the gold transactions of the Swiss National Bank," Swiss Finance Minister Kaspar Villiger told the Swiss Parliament on Tuesday.

He said he doubted any new facts could emerge that would change the government's position that the 1946 agreement reached with the Allies had fully absolved Switzerland of any future reparations claims.

The WJC released the report in advance of an international conference on Nazi gold scheduled to take place December in London. The conference, to be convened by the Tripartite Gold Commission, is expected to address, among other things, the question of how the last bit of recovered Nazi-looted gold — 5.5 tons valued at some \$65 million — should be distributed.

Meanwhile, Rep. James Leach (R-Iowa), chairman of the House banking committee, introduced legislation that would authorize the United States to make a \$25 million contribution to organizations serving Holocaust survivors in the United States.

Leach said that such a move might prompt countries that received Nazi-looted gold after the war and others to make similar contributions. The legislation also calls for the restitution of artwork looted by the Nazis. □

Czech Holocaust survivors press for individual German payments

By Randi Druzin

PRAGUE (JTA) — Czech Holocaust survivors are pressing on with their campaign to obtain German compensation for their wartime suffering.

"If Germany does not award individual compensation this year, most of us will probably not live to see it," stated a letter recently presented by survivors to the German Embassy here.

On Monday, a group of aged survivors demonstrated outside the embassy to reiterate their demands, which come as part of a nearly yearlong campaign to have Germany go beyond a commitment it made in a German-Czech declaration that was signed in January.

The demonstration came on the heels of a similar protest Sept. 25, and three days after a state visit to the Czech Republic by German Foreign Minister Klaus Kinkel, who did not promise the hoped-for compensation.

Instead, Kinkel focused on a fund that was created as part of the German-Czech declaration, saying he expected the fund to begin operating in three months.

The declaration, which was negotiated for almost two years, was intended to ease long-standing tensions rooted in Germany's wartime occupation of Czech lands and the subsequent deportation of Sudeten Germans from postwar Czechoslovakia.

Jewish leaders complained at the time of the pact's signing that Germany did not comment on the Holocaust in the declaration, which stated that Germany "regrets the suffering and iniquities inflicted on the Czech people."

The fund set forth in the declaration was designed to finance community projects to benefit Holocaust survivors, but does not call for individual compensation.

Germany will provide the fund with about \$76 million, and the Czech government will contribute about \$12.9 million.

"The fund means nothing, and we don't want it," said Emma Sternova, a 74-year-old survivor who was among the 30 participants at Monday's demonstration, which was organized by the Jewish Association of Resistance Fighters and Soldiers.

Sternova, who lost her immediate and extended family during the war, and fellow survivor Pavla Kovacova, 84, want nothing short of individual compensation.

"We want to receive money so that we can give it to our children and grandchildren," Kovacova said.

German officials are currently negotiating with the Conference on Material Claims Against Germany about compensation payments to Holocaust survivors in Eastern Europe. In August, the German government and officials of the Claims Conference announced the establishment of a joint commission, which is expected to make its proposals before the end of the year.

Germany has paid more than \$54 billion in compensation to Holocaust survivors since World War II.

However, those living in Soviet bloc countries were unable to apply for compensation during the Cold War.

Czech Jews have speculated that Germany's reluctance to compensate survivors in Eastern Europe stems from fears that such a move would pave the way for compensation requests from non-Jews who suffered under Nazism.

There are about 6,500 Holocaust survivors in the Czech Republic. □

Congress may link Israel's aid to surrender of murder suspect

By Matthew Dorf

WASHINGTON (JTA) — A grizzly murder in suburban Washington is threatening to open a diplomatic row that could cost Israel tens of millions of dollars in foreign aid.

Samuel Sheinbein, 17, fled the United States to Israel after police named him the chief suspect in the dismemberment and burning of his 19-year-old friend.

A former classmate of Sheinbein's at the Charles E. Smith Jewish day school, Aaron Benjamin Needle, surrendered to police days after the Sept. 18 attack.

Israeli law prevents Sheinbein's extradition because he is an Israeli citizen. Sheinbein's father was born in British mandate Palestine and received Israeli citizenship — which extends to his children.

This loophole has infuriated U.S. lawmakers and prosecutors. They have accused Sheinbein, who has never lived in Israel, of fleeing to escape justice.

Israeli and American prosecutors are seeking a loophole in Israeli law in order to deny Sheinbein Israeli citizenship. Criminal proceedings against Sheinbein, who is in Israeli custody, were scheduled to begin there later this week.

If convicted in an Israeli court, Sheinbein would likely receive a lighter sentence than he would in the United States because in the Jewish state he would be tried as a juvenile.

Against this backdrop, U.S. Secretary of State Madeleine Albright has embarked on a desperate attempt at crisis control.

The chairman of the House Appropriations Committee, Robert Livingston (R-La.), vowed to strike at the \$3 billion in U.S. aid to Israel if Sheinbein is not extradited. The committee has jurisdiction over the foreign aid bill.

Livingston initially planned to attach an amendment to the bill that would cut \$50 million from Israel's aid.

Congressional sources say he is seeking to take away a measure, known as early disbursement, which guarantees that Israel will receive all of the aid by the end of October.

The move would cost Israel tens of millions of dollars in lost interest on the \$1.2 billion in economic assistance — and perhaps much more if the Jewish state cannot meet its financial obligation on military contracts paid through the \$1.8 billion military aid.

Groups call for restraint

The House and Senate have passed the foreign aid bill, and a small group of negotiators are working to hammer out differences between the bills and could include Livingston's amendment if they so desire. Both the House and Senate have to pass the compromise version of the bill before it is sent to President Clinton.

Israeli officials have met with Livingston in an attempt to explain that Israel will not extradite Sheinbein if he is a citizen. For now, Livingston is standing firm on his threat.

Groups as diverse as the pro-Republican National Jewish Coalition and the National Jewish Democratic Council have urged Livingston to leave Israel's aid alone.

On Capitol Hill, Rep. Nita Lowey (D-N.Y.), a member of Livingston's committee, asked for restraint.

"I have great respect for the chairman, but he is absolutely wrong on this issue," said Lowey, adding that she believes Sheinbein should stand trial in the United States.

On another front, Rep. Constance Morella (R-Md.) introduced a non-binding congressional resolution urging Israel to return Sheinbein. Morella's district includes the neighborhood where Alfredo Enrique Tello, Jr. was murdered.

The Anti-Defamation League this week joined those calling on Israel to extradite Sheinbein.

"They should find a way to extradite him," said Abraham Foxman, ADL national director. "Maybe the law needs to be changed."

For now, the Clinton administration's policy on the matter is clear.

"The Israeli government should assist us in bringing Mr. Sheinbein to justice in the United States," said James Rubin, State Department spokesman.

He added that Albright made it clear in a message to Netanyahu "that we think that the maximum cooperation from the Israeli government would be helpful in trying to bring the person to justice." □

Labor Party head apologizes for handling of Sephardi Jews

By Gil Sedan

JERUSALEM (JTA) — The apology was an attempt to reach out to an important bloc of voters — Israel's Sephardi Jews.

Labor Party leader Ehud Barak, seconded by a large majority of party members, issued an apology last week for the discriminatory treatment Sephardim have long claimed they received at the hands of the Israeli government during the early years of statehood.

Jews from Arab lands, who immigrated to Israel en masse during the late 1940s and early 1950s, have long complained about being placed in makeshift villages by the government, which was run at the time by Labor's precursor, the Mapai Party.

Many Sephardi immigrants were eventually resettled in development towns on Israel's borders and in the Negev. But those towns continue even today to be areas of high unemployment and limited opportunities, prompting Sephardim to say they have been treated as a permanent underclass that was dumped in the desert.

Angered by a pattern of discrimination they say dates back 50 years, Israel's Sephardi community has traditionally voted for the Likud Party or, in more recent elections, the Orthodox Shas Party.

They view Labor as the party that represents the interests of Ashkenazi Jews.

As part of its effort to counter those perceptions and reach out to Sephardim, the Labor Party held its annual convention in Netivot, a development town in the Negev.

Barak admitted at the conference that the absorption of Sephardi Jews in the early years of the Jewish state had resulted in the uprooting of entire communities.

"I request in my name and the name of the Labor Party forgiveness for those who caused them this suffering," Barak said. He added that it was time for Labor to do more for Sephardi Jews.

Former Labor Prime Minister Shimon Peres avoided a direct confrontation with Barak, but said his recollections of the early days of the Jewish state did not match Barak's description.

"I don't remember any feelings of regret or discrimination," said Peres. "I felt like we were all brothers."

"My heart is full of pride on whatever we have achieved, despite the mistakes," he added.

"No revolution has succeeded in the 20th century like the Zionist revolution." □