# Daily News Bulletin

Vol. 76, No. 45

Tuesday, March 10, 1998

81st Year

### TOP NEWS IN BRIEF

### Judge may rule against Iran

A U.S. court appears poised to issue a multimillion dollar judgment against Iran for sponsoring the Islamic Jihad faction that carried out a 1995 terror attack in the Gaza Strip.

The judge in the case — brought before the U.S. District Court in Washington by the family of Alisa Flatow, an American killed in the attack — said he would announce a decision Wednesday in open court.

Judge Royce Lamberth took the highly unusual step of summoning the Flatow family back to Washington to hear his verdict, prompting observers to believe he was ready to issue a judgment against Iran.

### Israel may alter Pollard stance

The secretary of the Israeli Cabinet said the government would step up efforts to free Jonathan Pollard from a U.S. prison, but has not yet decided whether to recognize him as an Israeli agent.

Danny Naveh's comments came after an Israeli newspaper said Israel would soon acknowledge that Pollard was working for the Jewish state.

Meanwhile, officials at the Israeli Embassy in Washington confirmed that a lobbying effort would soon be launched to garner congressional support for Pollard's release. A former U.S. Navy intelligence analyst, Pollard has been serving a life sentence since 1987 for spying for Israel. [Page 3]

### High court rules on Xmas display

The U.S. Supreme Court allowed city officials in Syracuse, N.Y., to continue sponsoring the annual display of a Christmas Nativity scene in a public park.

The court rejected without comment the argument of a self-described atheist that the display amounted to government endorsement of religion.

[Page 4]

#### Prize to Oz sparks contention

Israeli Education Minister Yitzhak Levy defended the decision to award this year's Israel Prize for Literature to writer Amos Oz.

Levy rejected a call by Knesset member Zvi Handel, a member of the National Religious Party, to revoke the honor because of an article Oz had written criticizing Jewish settlers.

Levy said that while he disagreed with Oz's views, this did not justify rescinding the prize.

### **NEWS ANALYSIS**

# Restitution efforts focus on liberating art prisoners

By Daniel Kurtzman

WASHINGTON (JTA) — They have been called "the last prisoners of war" — the Renoir portraits, Monet landscapes, Cezanne still lifes and tens of thousands of other artworks that remain scattered around the world.

Seized from thousands of public and private collections as the Nazis swept across Europe nearly six decades ago, the pieces, many of them masterworks, can be found on the walls of some of the world's most prestigious art museums — without any indication of their true provenance.

Long obscured in the shadow of the Holocaust and the Cold War, looted art has come into sharper focus in recent months as the search for Holocaust victims' assets has moved beyond dormant bank accounts and plundered gold to include the broader range of Jewish assets.

In the ongoing battle to secure moral and material restitution for Holocaust survivors, the issue of looted art carries a unique salience.

"A gold ingot or a gold brick is like any other gold brick," said Elan Steinberg, executive director of the World Jewish Congress.

"But a work of art is unique because it tells a story of the family in whose parlor it hung," he said.

"It tells the story of the transfer of ownership. It is almost a living object itself."

Beyond the difficulties in tracing an artwork's lineage, a number of thorny issues are complicating Jewish efforts to reclaim the looted works:

- convincing art museums to surrender or provide compensation for prized holdings;
  - determining what to do with heirless paintings; and,
  - weighing it all against the public stake in keeping the art on public display.

While the full scope of Nazi art plunder remains unknown, a document recently found in the U.S. National Archives offers some perspective.

In 1945, the director of the Metropolitan Museum of Art in New York estimated that the value of artwork plundered by the Nazis in Europe amounted to \$2.5 billion in postwar prices — more than the value of all the art in the United States at that time.

In France alone, where many of the most notable art dealers maintained their collections, the Nazis seized 100,000 pieces of art, 39,000 of which were never recovered, according to France's own postwar accounting.

Another 16,000 artworks were not returned to their rightful owners. Those include some 2,000 paintings, drawings, sculptures and other works of art that French museums selected for permanent display after the war.

Convincing European art museums — where most of the art resides — to relinquish their holdings has been difficult, given the differences in American and European laws regarding stolen property.

In America and Britain, the original owners of stolen goods maintain ownership rights, but in most of Europe, a buyer who purchases something in good faith is considered the rightful owner.

Indeed, European museums have taken great offense to charges they are displaying wartime loot, refusing to make such an admission. Jewish officials, meanwhile, have looked to U.S. museums to lead the effort by moral example.

But in a move that could portend further cooperation by European museums,

### **MIDEAST FOCUS**

#### Israelis, Jordanians meet

Israeli Trade Minister Natan Sharansky visited the Jordanian capital of Amman to discuss bilateral trade issues with his Jordanian counterparts.

The visit, seen as reflecting improved Israeli-Jordanian ties, came one day after Israeli minister Ariel Sharon visited Amman and one day before Jordan's Crown Prince Hassan was slated to visit Israel.

### No-confidence motion defeated

The Israeli Knesset defeated a no-confidence motion against Prime Minister Benjamin Netanyahu that was introduced by the opposition because of the country's economic situation. During the debate, opposition members criticized the government's handling of economic and political issues.

### Court rules against haredi groups

Israel's Supreme Court ordered the Education Ministry to stop funding four fervently Orthodox youth movements.

The justices said the movements did not meet the criteria set by the ministry to receive funding, including identifying with the principle that Israel is a Jewish, Zionist and democratic state, and that members be taught to consider national service as obligatory.

#### Two Hamas members sentenced

An Israeli military court sentenced two Hamas members to prison terms of 19 and 21 months for planning to kidnap Israeli soldiers. The two Palestinians are from eastern Jerusalem.

#### Hezbollah to broadcast in Hebrew

The Shi'ite Hezbollah movement plans to start broadcasting on television in Hebrew. The secretary-general of the movement said in a recent statement that the broadcasts would seek to fuel Israeli public pressure for the Jewish state to withdraw its troops from southern Lebanon.

# Daily News Bulletin

Caryn Rosen Adelman, President Mark J. Joffe, Executive Editor and Publisher Lisa Hostein, Editor Kenneth Bandler, Managing Editor Lenore A. Silverstein, Business Manager

JTA DAILY NEWS BULLETIN is published five days a week, except holidays, by the Jewish Telegraphic Agency Inc., 330 Seventh Ave., New York, N.Y. 10001-5010. For information about how to subscribe by e-mail, fax or regular mail, call (212) 643-1890, or visit our Web site at www.jta.org.

© JTA Reproduction only by previous arrangement.

Austria announced this week that it would return looted artworks now held by its museums.

"It is a wonderful irony that Austria will lead the way for the other European countries," said Steinberg, adding that "it was no accident" that the Austrian decision comes after the recent move by American museums.

Responding to growing concerns that U.S. museums may be displaying wartime plunder, the Association of Art Museum Directors, which includes the heads of the 170 largest art museums in North America, pledged last month to fully research the ownership history of their holdings.

In testimony before Congress last month, however, the directors of four of the most prestigious U.S. art museums said they were confident few of the tens of thousands of artworks stolen by the Nazis were in their collections.

Philippe de Montebello, director of the Metropolitan Museum of Art, said that even if the number of claims made against U.S. art museums in the last 50 years were tripled, "you would still be below 12 works of art and 12 claims."

But Jewish officials suggest that the number may increase dramatically because many of the paintings are heirless and more information has been made available through the declassification of documents in Eastern Europe in recent years.

Meanwhile, a task force set up by the museum directors has endorsed the creation of a mechanism such as mediation or arbitration to resolve ownership claims.

"We are committed to doing everything possible to ensure that our collections are untainted by the stigma of the Nazi past," Glenn Lowry, director of the Museum of Modern Art in New York, told the U.S. House of Representatives Banking Committee last month

As a first step in resolving claims, two Jewish groups have teamed up to create a comprehensive database to identify the rightful owners of plundered art — a massive undertaking that will take at least six months.

The World Jewish Congress' Commission on Art Recovery and the B'nai B'rith Klutznick National Jewish Museum's Holocaust Art Restitution Project plan to post the database on the Internet. While the database may help claimants obtain restitution, the more vexing question involves heirless artworks.

One idea is to sell the paintings at auction and use the proceeds for the benefit of needy Holocaust survivors, similar to the auction of looted art in the so-called Mauerbach collection in Austria two years ago. That sale raised \$14.5 million for Austrian Holocaust survivors.

But while Jewish officials say compensation is a priority, they also recognize the importance of keeping the paintings in public view.

WJC officials have proposed establishing a museum of rescued art.

It could take the form of a gallery housed in New York, Washington or Israel at a museum dedicated to the Holocaust — or it could function as a traveling museum or lending institution.

Steinberg said such a museum could achieve the dual obligation of keeping the paintings accessible, while also "respecting the memory and legacy of those from whom it was taken."

The idea is not likely to win many backers among art museum officials, some of whom have instead suggested placing special labels next to the looted art works, correcting their documentation and keeping them in their existing locations — a proposal ruled out by Jewish officials.

U.S. officials, meanwhile, have been busily working on the restitution matter. The United States is planning to host an international conference in June on property stolen from Holocaust victims.

In Congress, Reps. Charles Schumer (D-N.Y.) and Nita Lowey (D-N.Y.) are writing legislation that would provide \$15 million to help families fund and recover their art. Sen. Alfonse D'Amato (R-N.Y.) has said he intends to author a similar bill.

The search will also be aided by \$5 million included in the Holocaust Victims' Redress Act, signed into law last month by President Clinton.

"The operative principle is simple," said Rep. James Leach (R-Iowa), chairman of the House Banking Committee. "Stolen property must be returned. Pillaged art cannot come under a statute of limitations."

### **JEWISH WORLD**

#### Bronfman threatens 'total war'

Swiss government and banking officials denied a statement by World Jewish Congress President Edgar Bronfman that they were ready to pay "more than \$1 billion but less than \$10 billion" as a so-called global settlement of all claims relating to Switzerland's handling of dormant Jewish bank accounts from the World Wor II era.

Bronfman responded to their denials with impatience, telling an interviewer, "It's coming to a point where it has to resolve itself or it has to be total war. I can't be sitting on my thumbs forever."

### Center to track pensioners

The Los Angeles-based Simon Wiesenthal Center said it would work in cooperation with Germany to track down suspected Nazi war criminals receiving pensions from the German government.

Germany is giving the center some \$109,000 to start research, which will involve cross-checking the center's archives against the list of more than 33,000 pensions being paid to World War II veterans or their surviving relatives.

### Court rules against rightist mayor

A French appeals court upheld the three-month suspended sentence and \$8,100 fine imposed last September on a far-right mayor for making racist remarks in a newspaper interview.

Catherine Megret, a member of the anti-immigrant National Front who was elected last year as mayor of the southern town of Vitrolles, had called immigrants "colonialists" and espoused racial inequality in the interview.

### Poland may restore citizenship

A group of Polish lawmakers is backing a bill that would restore the citizenship of Jews who fled the country in the wake of a 1968 anti-Semitic campaign.

An estimated 12,000 to 20,000 Jews fled during the campaign, inaugurated by the then-Communist government to silence social unrest.

Hundreds of people gathered last week in Warsaw to mark the 30th anniversary of the campaign

The audience included government officials and the U.S. and Israeli ambassadors to Poland. Some Jews who left Poland in 1968 also attended, some of them returning to Warsaw especially for the occasion.

### Strong-arm tactics charged

Some Orthodox rabbis in Brooklyn, N.Y., were accused of backing strong-arm tactics to change the minds of husbands unwilling to grant their wives divorces, according to the New York Post newspaper.

The Brooklyn district attorney is investigating the charges.

# Israel steps up efforts to gain Pollard's release

By Naomi Segal

JERUSALEM (JTA) — Israel may be on the verge of making a dramatic decision in the case of Jonathan Pollard.

Cabinet Secretary Danny Naveh said the government would step up efforts to free Pollard from a U.S. prison, but has not yet decided whether to recognize him as an Israeli agent.

His comments came after an Israeli newspaper said Israel would soon acknowledge that Pollard, a former U.S. Navy intelligence analyst, was working for the Jewish state.

An official at the Israeli Embassy in Washington, meanwhile, is planning to line up support in Congress for Pollard's release.

Sources in Washington said that Yitzhak Oren, who is the embassy's congressional liaison, will begin lobbying members of Congress this week to press Secretary of Defense William Cohen to change the Defense Department's position and say that Pollard's spying activities did not harm U.S. security interests.

An Israeli Embassy offical confirmed Oren's plans, saying "the embassy will strengthen" its efforts on Pollard's behalf.

Oren met with Pollard last Friday in the prison where Pollard has been serving a life sentence since 1987 for spying for Israel.

"For the first time in 13 years, the government has sent an official representative from the embassy to meet with Jonathan," Pollard's wife, Esther, told Israel Radio. "The kinds of things we heard from Mr. Oren were very encouraging."

In Jerusalem, Absorption Minister Yuli Edelstein said this week that he hopes a ministerial committee dealing with the Pollard case would soon acknowledge that he had acted on behalf of the state.

Edelstein added that he believed that public opinion in Israel was behind releasing Pollard, and that this, along with an official Israeli stance on the matter, would have an impact on American officials.

Results of a Gallup poll published last week showed that of 500 Israelis polled, three-quarters believed the government should publicly take responsibility for Pollard's activities.

Edelstein and Communications Minister Limor Livnat — each of whom recently visited Pollard in the U.S. jail where he is being held — met this week with Esther Pollard to discuss the case. Naveh, who also attended the meeting, may visit Jonathan Pollard in the coming weeks.

Esther Pollard said she came away from the meeting with the impression that Israel is moving toward recognizing her husband as an agent for the state.

(JTA correspondent Matthew Dorf in Washington contributed to this report.)

### Former IDF official apologizes

By Naomi Segal

JERUSALEM (JTA) — A former official for the Israel Defense Force has apologized for comparing the yarmulkes worn by some Israeli soldiers to the swastikas worn by Nazi soldiers during World War II.

Reserve Maj. Gen. Shlomo Gazit was quoted in Israeli newspapers over the weekend as saying, "The only army I know of where members of a political party area allowed to wear an identifiable, external symbol was in the Nazi army."

In the public uproar that ensued, Gazit said he was talking about "a phenomena I consider worrying," but added that his remarks were simply "stupid," the Israeli daily Ha'aretz reported.

Among those who lambasted him for his remarks were Prime Minister Benjamin Netanyahu, who said he was "shocked," and the IDF's chief of staff, Lt. Gen. Amnon Shahak, who termed the remarks "hurtful and rude."

Gazit made the comments while speaking at a Tel Aviv University seminar titled, "The IDF: Unifying or Dividing."

# Israel decries Russian move to aid Iran's nuclear program

By Lev Krichevsky

MOSCOW (JTA) — Israeli Prime Minister Benjamin Netanyahu has come out strongly against a Russian decision to build two more nuclear reactors at a plant near the Iranian city of Bushehr.

The Russians have "all kinds of explanations for these reactors," the prime minister said after meeting last Friday with German Chancellor Helmut Kohl. "I am not convinced that it satisfies us."

Russia, which has already agreed to help build two reactors at Bushehr, says the nuclear power plant is solely designed to generate electricity.

But Israeli and American officials claim the technology being transferred from Moscow to Tehran could be used to help Iran develop nuclear weapons.

A spokesman for the Russian Atomic Energy Ministry last Friday repeated Russia's insistence that the construction did not violate any international agreements regarding nuclear proliferation

In January, Russian Prime Minister Viktor Chernomyrdin issued a decree banning the export of weapons technology to Iran.

Word of the latest agreement between Moscow and Iran was issued last Friday, just days after Israeli Trade Minister Natan Sharansky visited Moscow in an effort to halt Russian-Iranian nuclear cooperation.

During a briefing with Israeli journalists while he was in Germany, Netanyahu refused to comment on whether the announcement to build the two reactors proved that the Israeli diplomatic initiative reflected in Sharansky's visit was a failure.

Kohl, considered to be the Western leader with the closest ties to Russian President Boris Yeltsin, reportedly told Netanyahu that he would discuss the issue during an upcoming trip to the Russian capital.

In a move last week that led some observers to believe that Moscow was ready to halt any nuclear cooperation with Iran, Yeltsin dismissed his atomic energy minister, Viktor Mikhailov, one of his longest-serving Cabinet members and a strong supporter of nuclear cooperation with Iran.

In a related development, Ukrainian officials last Friday canceled a \$45 million deal to supply turbines for the Bushehr plant.

A Yeltsin spokesman said Saturday the cancellation would not affect Russia's plans to go ahead with building the plant.

# Supreme Court upholds creche on public property

By Matthew Dorf

WASHINGTON (JTA) — A Supreme Court decision could lead to a proliferation of religious displays on public property.

Without comment, the court decided Monday to not hear a case challenging a lower court's ruling upholding the right of Syracuse, N.Y., to sponsor a Nativity scene in a public park in the days surrounding Christmas.

The move appears to set new precedent in the long-running

battle over religious displays on public property during the December holiday season.

Until now, courts have generally ruled that governments can sponsor religious displays as long as they are part of a larger exhibit. The courts said the other symbols would lead a reasonable person to think that there was no endorsement of one particular faith by the government.

But last year the U.S. Second Circuit Court of Appeals broke with a 1989 Supreme Court decision that struck down a creche standing alone in a county courthouse in Pittsburgh.

The appeals court, which covers the states of New York, Vermont and Connecticut, ruled that a religious symbol — in this instance a Nativity scene at the base of a Christmas tree — can stand alone if the government erects other religious or secular symbols nearby.

The suit was filed by Carol Elewski, a Syracuse resident who objected to the creche's placement in the park.

But the city argued that a menorah erected 300 yards away in another park negated the effect that the creche had on observers who would think that the city endorsed Christianity.

Opponents of religious displays on public land said this week's decision to turn away Elewski vs. Syracuse would encourage others to erect religious displays.

"This is an erosion of gains that we have already made," said Marc Stern, co-director of the American Jewish Congress legal department.

Stern, who has fought against religious displays, represented Elewski in her appeal to the Supreme Court.

"This is going to tempt people to have purely religious symbols," he said.

But advocates of religious displays welcomed the court's action.

"It's a welcome result in as much as it says that the Supreme Court is not interested in micro-managing how religious public displays are set up," said Nathan Diament, director of the Orthodox Union's Institute for Public Affairs.

The decision is only binding on the three states covered by the appeals court.

At least five of the 13 appeals courts across the country have issued rulings that contradict the Syracuse decision.

The court gave no reason why it turned away the case. According to legal observers, the court may have decided that the appeal was no longer valid because Elewski had moved away from Syracuse.

### FBI looking for Israeli hacker

JERUSALEM (JTA) — The FBI wants an Israeli computer hacker believed to have been involved in an attempt to break into the Pentagon's computer system.

The hacker identified himself as an 18-year-old Israeli and used the nickname "Analyzer," according to Israeli media reports.

Two California youths have already been questioned by the FBI in connection with the entry into the Pentagon system.

In an interview with an online magazine, the Israeli has identified himself as belonging to an underground network of Israeli hackers, who were active in an international ring.

The youth said he helped the computer systems he entered by patching up security holes.  $\Box$