



# Daily News Bulletin

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81<sup>st</sup> Year

## TOP NEWS IN BRIEF

### Survivors calling hotline

Callers are swamping a toll-free telephone number set up for needy U.S. Holocaust survivors to apply for monies from a Swiss-sponsored humanitarian fund. The 80 staff operators at the application center received 3,360 calls for information during their first day of work, the World Jewish Restitution Organization said. Administrators expect to receive tens of thousands of calls at (800) 549-6864 before the end of the three-month application deadline. [Page 2]

### Sex scandal a Jewish plot?

An Iraqi newspaper claimed that the Monica Lewinsky scandal is a Jewish plot directed at toppling President Clinton. "The basic Zionist game has become clear," the daily newspaper Babel wrote, adding that the scandal was aimed at having Clinton replaced by Vice President Al Gore, "who is known for his pro-Zionist stand." Similar accusations surfaced in the Arab-language press when the scandal first broke in January.

Meanwhile, political observers are comparing the speech Clinton made acknowledging an improper relationship with White House intern Monica Lewinsky to a speech Israeli Prime Minister Benjamin Netanyahu made in 1993 in which he admitted to an extramarital affair. In that speech, the premier said he owed a debt "to my wife, my family and no one else." He also said, "Politicians have private lives, too."

### Florida man loses citizenship

A federal judge in Tampa, Fla., stripped U.S. citizenship from a retired obstetrician for lying about his wartime activities. Adolph Milius, 79, served in the Nazi-run Lithuanian security police in 1941 and participated in the arrests of Jews. Milius returned to his native Lithuania in 1996 after the Justice Department began its case.

### Virtual siege alleged in Nablus

The Palestinian Authority imposed a virtual siege at a yeshiva established at Joseph's Tomb in Nablus, Israel is charging. The West Bank standoff began when Israel allowed yeshiva students to sit shiva around the dock for two slain settlers who attended the school. Palestinian officials claimed Israel was trying to start a settlement at the yeshiva and responded by preventing buses from entering and leaving the site.

## NEWS ANALYSIS

### Swiss settlement adds momentum to Holocaust-era claims in Europe

By Mitchell Danow

NEW YORK (JTA) — The \$1.25 billion settlement agreed to by Switzerland's leading banks has created a momentum that will likely lead to additional agreements to settle Holocaust-era claims against European companies and governments.

In the wake of last week's agreement, officials with the World Jewish Congress believe that the focus will now shift to several different fronts:

- European insurance firms, which face survivors' claims for unpaid policies dating back to World War II;
- German banks that dealt in gold stripped from Holocaust victims on their way to the gas chambers; and
- Artworks looted by the Nazis from Jewish families during the war years.

In addition, according to Israel Singer, the WJC's secretary-general, there are some 15 European countries that have not yet begun negotiating with Jewish officials in an effort to confront their wartime past.

The settlement, hailed as a historic milestone by survivors and Jewish leaders in the United States and abroad, led to almost immediate responses by other companies facing survivors' suits.

Days after the Aug. 12 settlement was reached, a leading Italian insurance company, Assicurazioni Generali, was poised to pay at least \$65 million to settle the claims against it.

According to Elan Steinberg, the WJC's executive director, Generali will, in the coming days, create one fund to settle the claims of Holocaust victims and their heirs and establish another fund, similar to a humanitarian fund established last year in Switzerland, to help Holocaust victims.

Generali was one of 16 European insurers targeted in a class-action lawsuit filed last year in New York on behalf of more than 20,000 people who claim the firms never paid out on policies that were opened by Jews before World War II.

The claimants are seeking \$16 billion in restitution from the insurers.

European insurers have confronted mounting pressures from U.S. state officials, who have threatened action against their American subsidiaries if they do not make good on unpaid policies from the Holocaust era.

Meanwhile, Switzerland's largest insurance company, Zurich Allied, said it signed a memorandum of understanding with U.S. regulators to establish a committee to find and compensate Holocaust survivors and their heirs for policies dating back to World War II. The \$1.25 billion settlement, which involved Switzerland's two leading commercial banks, United Bank of Switzerland and Credit Suisse, put an end to all claims against the two banks — as well as against the Swiss National Bank, which bought gold from the Nazis worth tens of billions of dollars in today's currency, the Swiss government, other Swiss banks and Swiss industry.

The only groups not affected by the settlement are Swiss insurance companies, which may explain the action taken by Zurich officials.

Repercussions from the Swiss banks' settlement are also being felt in Germany.

Steinberg of the WJC said he believes that a number of German banks will reach settlements within a short period of time.

The leader of Germany's Jewish community, Ignatz Bubis, made a similar prediction. Bubis said he was confident that two of the country's largest private banks

## MIDEAST FOCUS

### Early elections forum scheduled

An Israeli Knesset committee plans to hold a special session to discuss a bill calling for early elections.

The action came after the requisite one-third of committee members signed a petition to call panel members back from summer recess to discuss the bill. The Knesset passed the bill by 60-6 in a preliminary vote last month.

### Vanunu plans suit

The man convicted of leaking Israel's nuclear secrets to a London newspaper is planning to file a suit against the Jewish state.

Mordechai Vanunu has sought permission to meet with two British lawyers in connection with the suit, his lawyer said.

Convicted of espionage in 1986, Vanunu was released from solitary confinement in March and is now appealing a May parole board decision that he complete his 18-year sentence.

### Teacher sues Education Ministry

A teacher at a religious kindergarten in Israel is suing the Education Ministry after she was fired from her job because her husband is secular.

Yaffa Rosenbaum is seeking more than \$13,000 in damages for what she claims is the mental distress and humiliation her family has suffered.

### Pollard refuses meetings

Jonathan Pollard has refused to meet with Israeli cabinet officials unless they are coming to bring him home.

The convicted Israeli spy, who is serving a life sentence in the United States, cut off an Israeli government initiative that has sent at least six ministers to meet with him to raise the profile of his case. Minister of Trade and Industry Natan Sharansky was due to meet with Pollard on Aug. 24.



## Daily News Bulletin

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would soon settle an \$18 billion class-action suit filed by U.S. Holocaust survivors.

The class-action suit against Deutsche Bank and Dresdner Bank accuses them of knowingly trading in gold stripped from Jews on their way to Nazi death camps.

Commentators in the German media have called on the banks to follow the example of their Swiss counterparts.

A Munich lawyer who filed the \$18 billion suit, Michael Wittl, said this week he plans to take similar action against Germany's third largest bank, Commerzbank, after information surfaced indicating that it, too, traded in gold taken from concentration camp victims.

Wittl also said he plans to file claims against several German companies — including BMW, Siemens, Daimler-Benz and Krupp — that are accused of profiting from Nazi slave labor.

Meanwhile, the United States and 38 other nations have launched a drive to identify art stolen from Holocaust victims and to compensate their heirs.

Jewish groups and representatives from more than 30 countries recently convened at the U.S. State Department to plan for a second international conference on Holocaust-era assets, slated for the fall.

The Washington conference — a follow-up to last year's London conference on Nazi gold — is intended to focus on looted artworks, insurance policies and other assets. □

## How survivors in United States can apply for Swiss fund payments

By Julia Goldman

NEW YORK (JTA) — Applications for payments from a Swiss humanitarian fund are now available for needy Holocaust survivors in the United States.

Eligible individuals can receive application information by calling the special application processing center set up by the World Jewish Restitution Organization, which will be handling all claims in the United States with the assistance of the New York State Banking Department.

The toll-free number is (800) 549-6864.

Interested individuals must request applications from the center by Nov. 17. The deadline for filing is Nov. 30.

Instructions are available in English, Russian and Yiddish.

Since the Swiss humanitarian fund was established last year by Switzerland's leading banks, more than 18,000 needy survivors in Hungary, Latvia and Slovakia have received payments.

In the coming weeks, thousands of survivors in the Czech Republic, Croatia and Poland will receive checks from the fund, according to Gideon Taylor, treasurer of the WJRO, the body that is overseeing the distribution of the payments.

Some \$31.4 million from the \$185 million fund will be paid out to qualified survivors in the United States after Nov. 30, Sen. Alfonse D'Amato (R-N.Y.) and New York Gov. George Pataki said at a news conference Monday announcing the application process.

The humanitarian fund is separate from the \$1.25 billion settlement of Holocaust-era claims reached last week between Switzerland's two largest banks and negotiators for survivors.

Anyone who receives payment from the humanitarian fund will still be eligible to participate in the proceeds from that settlement.

WJRO officials expect between 20,000 to 40,000 applications from the more than 110,000 Jewish Holocaust survivors living in the United States.

Each qualified applicant is expected to get a one-time payment of about \$500.

Applicants must meet three criteria. They must be:

- a Jew who lived in a country when it was either under the Nazi regime, Nazi occupation or the regime of Nazi collaborators;
- now a citizen or legal resident of the United States;
- in need of financial support. □

## JEWISH WORLD

### Poland to move on crosses

The Polish government plans to assume control of a site near the Auschwitz death camp where more than 100 crosses have been put up in recent weeks.

Prime Minister Jerzy Buzek said the government would annul a 30-year lease on the land, which is held by a group linked to fundamentalist Catholics who mounted a campaign to erect the crosses.

Jewish groups, who object to any religious symbols at the site, have protested the campaign to Poland's government.

### Swiss leader against contribution

Switzerland's central bank should not contribute to the \$1.25 billion settlement agreed to last week by the country's two largest private banks, the Swiss vice president believes.

Ruth Dreifuss said the central bank might instead make an additional contribution to a Swiss humanitarian fund created last year for Holocaust survivors. Dreifuss, who is Jewish, is expected to become the Swiss head of state next year under the country's system of a rotating presidency.

### Anne Frank notes may be real

Anne Frank experts said it was possible that recently discovered diary notes purportedly written by the teen-age diarist were authentic.

The notes, in which Frank reportedly criticized her parent's marriage, are in the possession of a former employee of the Anne Frank house in Amsterdam.

### Chicago museum to get Degas

The Art Institute of Chicago will receive a Degas painting looted by the Nazis as a result of an out-of-court settlement with the heirs of Holocaust victims.

Under the agreement, the first of its kind in the United States, the Goodman family will receive one-half of the painting's value and the owner will donate the work to the museum.

### Far-right party starts campaign

Germany's leading far-right-wing party officially kicked off its campaign for next month's general elections.

The German People's Union, led by millionaire publisher Gerhard Frey, won 12.9 percent of the vote in local elections in April.

### Film on Chasidim to air

A documentary about Chasidic life in America is scheduled to air on U.S. public broadcasting channels next week. "A Life Apart: Hasidism in America" is slated to air Aug. 25 on most PBS outlets.

## Russian security agency claims Jewish activist was spy for Israel

By Lev Krichevsky

MOSCOW (JTA) — Rumors of a possible Israeli spy ring in Siberia appear to have been put to rest — but not before a slew of reports that one Russian Jewish leader says hearkened back to the Soviet era.

Last week, the deputy head of the Federal Security Service branch in western Siberia, Sergei Savchenkov, said a spy ring had recently been uncovered after a Jewish tank factory worker admitted that he passed on information about a new Russian battle tank to an Israeli agency with offices in the former Soviet Union.

According to the security sources, Alexander Sakov, 46, a well-known Jewish activist and head of the technical bureau at the Transmach tank manufacturing company, allegedly "had free access to the construction secrets" of the tank and transmitted them to the Nativ agency.

Nativ, a unit of the Israeli Prime Minister's Office, used to collect clandestine information on political and economic organization in Russia. Now it only officially gathers information available through open sources.

A Russian security official claimed that the Israeli bureau has been involved in an "extremely perfidious" espionage operation. The official said security forces had unmasked an entire network.

"Sakov was the first Nativ agent to be uncovered by Russian security forces," Tass quoted Savchenkov as saying.

The Federal Security Service, also known by its Russian abbreviation FSB, is a successor to the Soviet-era KGB.

Both Sakov and the Nativ agency denied the charges.

Sakov said in a telephone interview from his home in Omsk that since 1993, he has been providing monthly reports on anti-Semitism and the state of the Jewish community in Siberia to the Israeli Embassy in Moscow — a job for which he was paid between \$60 and \$120 a month. He added that the FSB never accused him of spying. "I never mix my work at the factory with my Jewish activism," he said.

But he added that he had promised FSB officials in Omsk, which is located about 1,500 miles east of Moscow, to discontinue this work and had not submitted any reports to Israelis since April.

On Aug. 12, a spokeswoman for the FSB in Omsk, where Sakov lives and where the charges were made, said the agency had failed to substantiate the charges against either Nativ or Sakov, the editor of Shalom, a Jewish newspaper published in Omsk.

Mikhail Chlenov, president of the Russian Va'ad, the oldest Jewish umbrella organization in the country, said the charges made against Sakov were part of a larger campaign launched by the FSB that could be aimed at discrediting local Jewish leadership as informers and agents of the Israeli secret service.

"This can be an attempt to compromise Jewish activists in the eyes of Russian Jews" so that people would try to avoid contact with Israelis working in Russia, said Chlenov.

Meanwhile, two articles have appeared in the Moscow press during the past few weeks quoting FSB officials accusing Nativ of operating an Israeli espionage center in Russia.

Both articles have been spiced with anti-Semitism, saying, among other things, that "Russophobia" and "extreme Jewish chauvinism" have always been characteristic of Nativ officials.

It is clear, one Jewish activist in Moscow said, that such charges would not have surfaced in the press unless they had been directly ordered by Russian security officials.

Meanwhile, a branch of the FSB has been established that is in charge of countering Israeli intelligence operations in Russia.

"I fear that security service of the new Russia might be reviving its 'Jewish department' of the past," said Chlenov.

Chlenov was referring to the 5th Directorate, the infamous branch of the Soviet KGB, that persecuted underground Jewish activists from the late 1960s until 1988. □

## Film producers consult clergy on animated version of Moses

By Tom Tugend

LOS ANGELES (JTA) — Since Jeffrey Katzenberg started production three years ago of “The Prince of Egypt,” an animated film version about the life of Moses, he has probably learned more about America’s ethnic and religious sensitivities than any other Hollywood mogul.

Katzenberg, the middle initial in the DreamWorks SKG film production triumvirate — Steven Spielberg and David Geffen are the others — decided to canvass the opinions of Jewish, Christian and Muslim religious and academic leaders at each stage of the musical film’s progress.

So far, more than 350 clergy and scholars have been consulted, in addition to in-house experts, and a survey of those consulted reveals that they are generally complimentary of Katzenberg’s readiness to accept advice.

One of the earliest previewers was Orthodox Rabbi Marvin Hier, dean and founder of the Simon Wiesenthal Center.

“We reached an early understanding that the film would be faithful to the biblical narrative, but in those areas where the text was silent, DreamWorks could be creative,” said Hier.

Nothing is known of Moses’ adolescence, so, following the biblical guidelines, the film, which is scheduled to have its premiere on Dec. 18, imagines that Moses and the future Ramses II were raised as brothers at the Pharaoh’s court and competed in chariot races. Some liberties were also taken in the portrayal of Miriam, Moses’ sister, and potential theological disputes — not to mention 40 years in the desert — were avoided by ending the film with the spectacular parting of the Red Sea.

Greatest concern about the film’s characterizations was expressed by Muslim and Arab American spokesmen, who have long complained, with some justification, that Arabs have become Hollywood’s villains of choice.

One reservation, which the studio had to reject, was the Muslim stricture against any physical portrayal of a prophet, including Moses and Abraham. An early suggestion, which was accepted, was that the slaves building the pyramids be shown in varied skin tones and attires to indicate that they were of many different races and not just Jews, said Michel Shehadeh of the Arab American Anti-Discrimination Committee.

Shehadeh called “The Prince of Egypt” a “human rights film against oppression,” a viewpoint, he said, which might actually support present Palestinian grievances.

The favorable impression created by Katzenberg’s outreach and early clips of the film found its most glowing review in the words of Don Bustany, a veteran Arab American activist and a Christian. “It’s a terrific film, which almost made me want to be Jewish,” he said.

Reaction among Jewish previewers appears to be even more enthusiastic. Typical is that of Abraham Foxman, national director of the Anti-Defamation League, who praised the film as “a labor of love and respect.”

“There is a thin line between soliciting all opinions and pre-censorship, and I think DreamWorks has walked it successfully,” said Foxman.

The view among Christians who have met with Katzenberg,

who range from the fundamentalist Rev. Jerry Falwell to the Vatican’s Council for Social Communication, appears to be equally favorable.

DreamWorks, usually not publicity-shy, declined at this point to discuss its outreach to religious and ethnic leaders.

The unusual reluctance appears to be mainly a matter of publicity timing and marketing strategy and reflects the studio’s concern about the film’s image and audience appeal prior to its December premiere.

According to knowledgeable sources, the studio wants to avoid — like the plague — having the film tagged as either a “kiddie cartoon” or a preachy Sunday school sermon.

Indeed, the film’s advance trailer and World Wide Web site — [www.princeofegypt.com](http://www.princeofegypt.com) — promise “the greatest adventure of all time” offering “mystery, majesty and miracles.” □

## Voucher proponents suffer setback in Maine court ruling

By Matthew Dorf

WASHINGTON (JTA) — Supporters of vouchers for parochial schools have lost one of their most promising legal cases.

A federal judge in Maine last week ruled against three families seeking to collect tuition from Roman Catholic schools for their town. With many small hamlets in the state lacking their own public school system, local governments commonly pay tuition at nearby public and private schools.

But the towns, including Minot, which has a population of some 1,600 people, including the three families, draw the line at religious schools. The chief judge of the Federal District Court for Maine agreed.

While the plaintiffs can send their children to any school they choose, “they do not have the right to require taxpayers to subsidize that choice,” Judge Brock Hornby wrote in his ruling.

Many voucher proponents saw the Maine case as a good chance to win in court because the state already allows the town to reimburse parents for private school tuition.

Most Jewish organizations oppose vouchers because of the concern that they violate the constitutional separation between church and state. Many also worry about their impact on public education.

But many Orthodox and politically conservative Jews argue that vouchers are needed to provide better access to Jewish day school education, which many believe can help fight the Jewish continuity crisis.

“In effect, Judge Hornby has held that the United States Constitution requires that a state discriminate against parents who wish to send their children to religious schools and not to afford them a subsidy that they provide all other parents,” said Nathan Diament, director of the Union of Orthodox Jewish Congregations of America’s Institute for Public Affairs.

Diament, who called the decision deeply troubling, said his organization will support an appeal.

But Marc Stern, the co-director of the legal department at the American Jewish Congress, said the Maine case “legally is not a big deal.”

“The judge ruled that you can’t force a government to fund something it does not want to,” he said. □