



# Daily News Bulletin

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85th Year

## TOP NEWS IN BRIEF

### Ambush victims laid to rest

Funerals were being held Sunday for four Israelis killed in a Palestinian ambush last Friday. Yosef Dickstein, 45, his wife, Chana, 42, and their 9-year-old son, Shuv'el, were killed when Palestinian gunmen opened fire on their car near Hebron.

The parents, who lived in Pesagot, are survived by nine other children, ranging in age from 2 to 20 years old. Earlier, the Palestinian gunmen opened fire on another car, killing Staff Sgt. Elazar Leibowitz, 21, of Hebron. The Al-Aksa Brigade, an armed wing of Palestinian Authority President Yasser Arafat's Fatah movement, claimed responsibility.

### U.S. presses Security Council

The United States put forward conditions on how it would treat Middle East resolutions that come before the U.N. Security Council.

During a closed Security Council meeting last Friday, U.S. Ambassador John Negroponte said the United States will only consider those resolutions that explicitly condemn Palestinian terrorism and call on Israel and the Palestinians to pursue a political settlement, a U.S. official told The Associated Press. Negroponte also said a proposed resolution condemning Israel was not helpful and that the United States would oppose it if it came to a vote, the official said.

### Palestinian girl said killed

A 14-year-old Palestinian girl died during a dash Sunday between Israelis and Palestinians in Hebron, according to Palestinian witnesses. The trouble erupted as Israeli settlers were bringing the body of an Israeli soldier killed last Friday in a Palestinian ambush to the cemetery.

The Palestinians, confined to their homes by an army-imposed curfew, began throwing stones at the funeral procession, according to photographers at the scene. The settlers responded by firing guns at Palestinian homes. Israeli army officials said only one Palestinian was injured, and that he had received treatment from soldiers.

### Ayalon to present credentials

Danny Ayalon is expected to officially become Israel's ambassador to the United States on Tuesday. Ayalon arrives in Washington on Sunday and will present his credentials to President Bush on Tuesday.

## Claims Conference weighing options as restitution issue drags on and on

By Toby Axelrod

LUXEMBOURG (JTA) — The president of the Claims Conference says the organization could withdraw from agreements protecting German insurance companies from lawsuits if the firms don't speed up restitution payments to Holocaust survivors.

Agreements signed two years ago protect the firms from being sued by Holocaust survivors or their heirs. The agreements were key to beginning payments from a \$5 billion German restitution fund.

Given a delay in payouts, however, the Claims Conference now is weighing its options, Israel Singer said last week at the group's annual board meeting here.

But Wolfgang Gibowski, spokesperson for the German government and industry foundation Remembrance, Responsibility and the Future, said the German insurance firms are not dragging their feet at all.

"Up to now they do not have the claims," Gibowski said in a telephone interview.

He said Singer should be addressing his concerns to the International Commission of Holocaust Era Insurance Claims, a group established four years ago by U.S. insurance regulators, Jewish organizations and five insurance companies. ICHEIC, he claimed, has been causing the delays, though he did not speculate about the reasons.

Singer should tell ICHEIC that "it is time to finish these long negotiations," Gibowski said.

"I know Singer very well and appreciate him as an honest and fair person," Gibowski added. "I can only think that he is not well-informed."

At the Luxembourg meeting, Singer said his group could reject the funds from the German firms and inform U.S. Federal Judge Michael Mukasey "that we reject the granting of closure and that they will have no business in the United States."

Several years ago, during reparations negotiations, it was implied that U.S. insurance regulators could withdraw licenses from German firms.

"We are not threatening anything now," Singer said. "We are holding out a hand in friendship and saying, 'Have the generosity to pay the people while they are still alive.'"

Gibowski, however, said there is "no reason" to withdraw legal closure.

"We are doing everything on the German side. The foundation is there, the money is there. So what is the reason?" he asked.

Gibowski explained that the insurance companies have nothing to gain by postponing payments, since they do not have to lay out additional funds.

Gibowski suggested that claimants or those with questions might do better by going directly to the German insurance companies or to the German Insurance Association than to ICHEIC. He said it made sense to test the system by transferring 1,000 claims or questions directly to the German companies, to see how fast they were handled.

ICHEIC has been criticized for its high administrative expenses and its poor oversight of the agencies hired to handle inquiries from survivors and process insurance claims.

The Claims Conference board meeting marked the 50th anniversary of the signing of the Luxembourg Agreement on reparations, a contract signed by the West German government with Israel and the Claims Conference.

In the ensuing half century, the Claims Conference has succeeded in distributing more than \$50 billion in reparations for more than 500,000 survivors.

Insurance policy restitution is among the more recent arrangements worked out by the Claims Conference, the 10-year-old World Jewish Restitution Organization and the

## MIDEAST FOCUS

### Tel Aviv bombing victim dies

The death toll from a July 17 double suicide bombing in Tel Aviv rose to five. Dmitri Pundikov, 33, of Bat Yam, died July 25 of injuries sustained in the terrorist attack near the old Central Bus Station in southern Tel Aviv.

### Powell to host Palestinians

U.S. Secretary of State Colin Powell said he plans to meet with a Palestinian delegation in Washington in early August. Speaking at a news conference Sunday, Powell said, "I hope people who come to see me will have the power to speak for the Palestinian people and will have the authority to execute whatever decisions we arrive at."

### Palestinians discuss end to terror

Palestinian groups reportedly renewed discussions about ending terrorist attacks on Israelis. Senior Palestinian Authority officials, representatives from Yasser Arafat's Fatah faction and Hamas participated in the weekend talks, according to local media reports Sunday. Palestinian groups had said last week that they were about to announce a halt to terror, but changed course after Israel's July 23 airstrike that killed Hamas leader Salah Shehade and 14 Palestinian civilians in the Gaza Strip.

In a related development, Mohammed Deif, long atop Israel most-wanted list, was named Shehade's successor as head of Hamas operations in Gaza, according to the Jerusalem Post.

### Jackson begins Middle East talks

U.S. civil rights leader Jesse Jackson met Sunday with Israel's foreign minister at the start of a Middle East peace mission. Jackson said after meeting with Shimon Peres that he hopes the Palestinians would use nonviolent resistance instead of terror to help return to the peace process.



## Daily News Bulletin

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State of Israel. It involves primarily German and Italian insurance firms, along with some Swiss and French firms.

According to Gibowski, many Nazi-era bank and insurance claims were settled in the immediate postwar years. Many German Jews were poor and had very small policies, if any, he said.

In the summer of 2000, German insurance firms agreed to pay about \$225 million as part of a \$5 billion fund from German government and industry.

The last hurdle in creating the fund, which deals primarily with reparations to former slave and forced laborers, had been the question of legal closure — in other words, protection for German industry and insurance companies against further lawsuits by survivors. Aside from the Italian firm Generali, most of the affected insurance companies are not following the guidelines established by ICHEIC, a Claims Conference spokesperson said. An ICHEIC report released in May by private consultant Lord Peter Archer of Sandwell in England found that many insurance companies were too quick to deny claims.

The report, which also criticized some of ICHEIC's internal operations, found that the insurance companies often demand impossible levels of proof from survivors or heirs of policyholders. The report said some firms have rejected claims after performing cursory searches.

The Claims Conference said German firms in particular have failed to provide names of Holocaust-era insurance policies for the ICHEIC Web site ([www.icheic.org](http://www.icheic.org)). The list, which aids claims researchers, currently has about 54,000 names.

The German companies are "working right now to produce lists of Germans who are Jewish and who lived in the Nazi time in Germany," Gibowski said. "If there were a master list somewhere saying those had insurance policies and those had something else, this would be easier. We can only produce lists of names of German Jews," and "if you think your name is on the list, you can ask your questions."

Some 500,000 Jews lived in Germany when the Nazis took power in 1933. Gibowski said the German firms have been "asking for more than one and a half years to receive potential claims and questions" from ICHEIC "in order to check them. They haven't received a single claim until now."

But Claims Conference leaders said some companies are demanding levels of proof that are impossible to meet today.

"Companies have to recognize that years and years after the war it is not possible to provide the same documentation as if it were a few years ago," said Gideon Taylor, executive vice president of the Claims Conference. "The level of frustration is enormous, particularly among Holocaust survivors."

Survivors and their heirs have complained that neither ICHEIC nor the insurance companies is fulfilling its moral and financial obligations.

Many expect the Claims Conference to speak on their behalf, and at the Luxembourg meeting their anger was palpable.

"How long will they let" Singer "keep on saying, 'Keep cool?'" asked Julius Berman, chairman of the organization. Singer "is putting his reputation on the line" with the survivors.

Singer noted that he had received letters of congratulations on the 50th anniversary of the Luxembourg Agreement from German Chancellor Gerhard Schroeder and from Romano Prodi, president of the European Commission.

Yet he was hardly in the mood for congratulations.

"It is truly sad," he said, "that we are still dealing with this issue today." □

## Reservists protest yeshiva draft deferrals

JERUSALEM (JTA) — Dozens of Israelis pledged to return their army reserve ID cards to protest last week's passage of a law granting draft deferrals to yeshiva students.

The initiative was begun by Noam Peleg, a student who serves as a reserve medic, the Israeli daily Ha'aretz reported.

Following approval of the bill, Peleg sent a letter to Prime Minister Ariel Sharon that was posted on an Israeli Internet site, stating that in granting exemptions to fervently Orthodox yeshiva students, the country had lost its moral right to call him up for reserve duty. He enclosed his ID card in the envelope. □

## JEWISH WORLD

### Moscow bomb has racist slogan

A homemade pipe bomb bearing an anti-Semitic slogan exploded in Moscow. The bomb, which bore the slogan "Against Jews," shattering windows in a nearby apartment building Sunday, but caused no injuries.

An Interior Ministry official called the incident "mere hooliganism," but one of Russia's two chief rabbis called it an act of terrorism. "A real war has been declared against civilized people. The time has come to take extraordinary measures against this manifestation of terrorism," Rabbi Berel Lazar told The Associated Press.

### Supremacist couple convicted

A white supremacist couple was convicted of plotting to blow up Jewish and black landmarks in an effort to spark a race war.

A federal jury deliberated seven hours over two days before convicting Leo Felton and his girlfriend, Erica Chase, last Friday.

### Poland to buy Israeli weapons

Poland said it will purchase anti-tank missiles from Israel. The deal for several thousand missiles is worth up to \$250 million over 10 years and will help bring Polish armed forces up to NATO standards, Polish officials said.

Poland's deputy defense minister, Janusz Zemke, said Poland had considered bids from companies in South Africa, France and Sweden, but ultimately decided that the Israeli missiles were the "most effective, although not the cheapest." Poland will receive the first missiles from Israel next year.

### Belarus racism criticized

Jewish activists in Belarus appealed to the government to respond to a recent desecration of Jewish tombstones.

Referring to the desecration of about 60 Jewish graves at two cemeteries in Minsk, the Union of Jewish Public Organizations and Communities said anti-Semitism had reached "a massive scale" in Belarus. President Alexander Lukashenko, however, said there was no anti-Semitism in Belarus and called the desecration of Jewish graves an accidental "hooligan action." The Jewish community maintains the government is not doing enough and has not yet punished anyone for anti-Semitic acts.

### Romania won't harbor Nazis

Romania said it would move to ban Nazi war criminals from taking shelter in the country.

Romanian Prime Minister Adrian Nastase instructed the Justice Ministry to draft a law banning war criminals after indications that deportees from the United States were trying to enter Romania.

## Media panel shows the heat of Jews' passions on Mideast coverage

By Rachel Pomerance

ORLANDO, Fla. (JTA) — Even before Zev Chafets arrived for a media panel here, he was being goaded by his peers.

The conservative columnist for the New York Daily News said he had received quite a few e-mails instructing him, in "genteel terms," to "kick" the "ass" of National Public Radio president Kevin Klose.

Along with New York Times contributor Samuel Freedman, Chafets and Klose appeared on a panel at Hadassah's 88th annual convention here last week, addressing media coverage of the Israeli-Palestinian conflict.

The issue has been a source of dismay for the Jewish community, which complains that much reporting falsely portrays Israel as the aggressor.

In fact, Hadassah came under fire from critics of NPR for including Klose. Supporters of the Committee for Accuracy in Middle East Reporting in America, urged that a CAMERA representative be included to counter NPR, but Hadassah maintained the panel was designed for working journalists only.

While civil and even jocular, the Hadassah forum demonstrated American Jews' frustration with the media. And NPR — widely regarded by Hadassah activists, who represent all religious streams and political ideologies within American Zionism, as skewed against Israel — became a lightning rod for criticism.

After waiting in a long line for their turns at the microphone, activists faulted NPR and other major media outlets for alleged sensationalism, ignorance and lack of context and follow-up.

They lambasted the media for biased word choice and inaccuracy, and for encouraging a "moral equivalence" by their treatment of Palestinian terrorist attacks and Israeli military responses.

Chafets, the panelist representing the right wing — Freedman apparently was picked as the centrist and Klose as the liberal — seemed to have the audience's allegiance.

His opening speech, which called for pro-Israel spin, earned sustained applause.

Major American media organizations like NPR and The New York Times are not anti-Israel or anti-Semitic, or even inaccurate, Chafets said.

They simply "are balanced organizations in a situation where balance" is inappropriate, he said.

"In a war between America's enemies and America's allies," the free press should take a clear stand on the side of democracy, Chafets said.

Its tone should be "unsympathetic to the bad guys" and "understanding" of "the right side."

Klose responded that advocacy is not NPR's role.

Freedman agreed that the media is not there to "reify Jewish solidarity with Israel."

When complaining to news outlets, activists should include some positive feedback with their criticism, advised Freedman, a professor at Columbia University's School of Journalism. He also blasted the idea of boycotting media outlets perceived as pro-Palestinian, as some pro-Israel activists have urged.

Freedman said that those who protested Klose's inclusion on the Hadassah panel were spewing an "odious idea."

He also suggested that American Jews may be seeking pro-Israel partiality, and misdirecting their frustration over the conflict at the media — a notion that offended some activists.

Audience members praised Klose for holding a dialogue with a group that is critical of his network, yet most remained skeptical of his message.

"He had me" until he refused to call suicide bombers murderers, said Eileen Chepenik, president of the Charleston, S.C., chapter of Hadassah.

Indeed, Klose was booed when he said that it was not up to NPR to decide if suicide bombers were murderers.

"We're not going to make a finding of guilt," he said. "Murder" is a determination that only the court system can make, he said. □

## NEWS ANALYSIS

## Reward for tips on war criminals shines light on Estonia's record

By Adam B. Ellick

VILNIUS, Lithuania (JTA) — A program offering a \$10,000 reward for information leading to the conviction of Nazi war criminals has incited a heated dispute in Estonia that could hinder the country's bid to join NATO.

Two days after Operation Last Chance was announced July 8 by the Nazi-hunting Simon Wiesenthal Center, Efraim Zuroff, director of the center's Israel office, received a tip about the wartime crimes of the 36th Estonian Police Battalion.

The battalion was a 16-member unit that Zuroff says helped murder Jews in Nowogrudok, Belarus, on Aug. 7, 1942.

Zuroff handed a list of 16 participants to the Estonian Security Police Board and requested an investigation. He was left aghast when the board, in charge of prosecuting war criminals, responded swiftly by denying the battalion's participation in the killings.

"We found no evidence against these men. There was also no evidence that the 36th Battalion took part in any crimes," said Henno Kuurmann, spokesman for the Estonian Security Police.

Meelis Ratassepp, deputy director of the Security Police, added that the Security Police didn't find any authentic documents proving the participation of the 36th Police Battalion.

But according to a report from the Estonia International Commission for Investigation of Crimes Against Humanity, a group of historians founded in 1998 by former President Lennart Meri, "The 36th Police Battalion participated on Aug. 7, 1942, in the gathering together and shooting of almost all the Jews still surviving in the town of Nowogrudok."

Ratassepp, however, said "a historical commission is one thing, and a criminal investigation is another."

Nine of the 16 men on Zuroff's list died during or immediately after World War II, he said, and the whereabouts of the other seven couldn't be ascertained.

Zuroff demanded a retraction from the Security Police, while the U.S. Embassy in Tallinn also contacted the Security Police about its hasty response.

"Our wish is to understand how the Security Police could arrive at such a different conclusion" than the International Commission, said Thomas Hodges, public affairs officer at the U.S. Embassy.

"We understand the historical commission surely consulted evidence and historical documents to arrive at their conclusion," he said. "We seek to understand from the Security Police if they consulted the same material. We have no answer yet."

During the past year, Western diplomats have closely tracked Jewish-related issues in Estonia, Latvia and Lithuania as the three Baltic states prepare to join NATO in November.

Though NATO is a defense alliance, aspirant countries are expected to maintain shared values about the treatment of religious minorities. They therefore have prioritized Jewish issues such as Holocaust restitution, Holocaust education and honest evaluations of their history.

NATO entry also requires two-thirds approval in the U.S. Senate. Bruce Jackson, president of the U.S. Committee for NATO, says Holocaust issues have topped the NATO agenda over the summer in a handful of Central and Eastern European aspirant

nations. "These issues still need work," said Jackson, who plans to meet with the Estonian prime minister in Washington in September.

"It does not surprise me that we hit this pothole," he said. "It's clearly something that over the next 18 months, through reforms and ratifications, Estonia will be working on. But we're going to get it solved."

The issue is sensitive in the Baltics, where rates of local collaboration with the Nazis were among the highest in Europe. The region also had one of the highest Jewish population extermination rates during World War II.

More than 94 percent of the Jews in Lithuania and Latvia were murdered during the Holocaust. Only 5,000 Jews lived in Estonia before the war, and 4,000 escaped to Russia and survived.

Of the 1,000 that remained, only seven survived.

About 3,000 Jews live in each of the three Baltic states today.

The countries have struggled to confront their Holocaust history since gaining independence in 1991.

Though governments recently have tried to increase sensitivity to ethnic minorities, anti-Semitism still runs strong. In addition, citizens here are intensely nationalistic after emerging from Polish, German and Russian occupation during the past century.

Some wonder how well Estonia is able, even today, to look objectively at its history.

"The unprofessional and incompetent results of the investigation carried out in this case raises serious doubts as to the ability of the Security Police Board to properly investigate the cases of Estonian Nazi war criminals," Zuroff said. "Under these circumstances, one can only doubt whether any Holocaust perpetrators will ever be held accountable in Estonia."

Operation Last Chance, meanwhile, has dominated the Baltic media. Editorials have blasted Zuroff's program as immoral because it offers monetary rewards for criminal information.

A news Web site that posts reader reactions swelled with more than 1,600 messages, many of them anti-Semitic.

Other articles have sought to deflect blame by suggesting that Jewish KGB agents who deported Balts to Siberia after the war be prosecuted.

An Estonian man said he would reward \$20,000 to anyone with information on Jewish KGB officers involved in oppressing Estonians.

"The Nazi and Soviet occupations are mixed together immediately," said Simonas Alperavicius, the chairman of Lithuania's Jewish community, whom the media has criticized for assisting Zuroff.

"I think it's because the burden of guilt is so big and they don't want to accept it, so their counter reaction is such," he said. "There's a lack of education, a lack of understanding about what happened."

In Lithuania, meanwhile, Parliament member Egidijus Klumbys said Zuroff should possibly be banned from the country.

Thus far, Operation Last Chance has turned up more controversy than incriminating leads. About 18 tips have been filed via telephone and mail, none of which will serve as concrete evidence for trial.

Most of the tips have been from people "who have been witnesses in one way or another," said Alperavicius, who took more than a dozen of the calls in his Vilnius office.

The callers were "very angry about history, angry with people who committed the crimes. They were crying when talking about that," he said. "But there's very little concrete information." □