

IN THE NEWS
Fresh Gaza action

Four Palestinians were killed as Israeli forces moved against arms smugglers in the southern Gaza Strip. Witnesses said helicopter gunships twice fired rockets at gunmen preparing to ambush troops in the Rafah refugee camp Wednesday.

According to military sources, new efforts to uncover arms-smuggling tunnels from Egypt into Rafah were part of a series of retaliations ordered for a double suicide bombing that killed 10 Israelis at the Ashdod port Sunday.

Also overnight, Israeli forces demolished the family homes of three terrorists in the West Bank.

P.A. reaches out to Hamas, Islamic Jihad

The Palestinian Authority established committees with Hamas and Islamic Jihad to plan running the Gaza Strip once Israel withdraws.

The two terrorist groups will join the Palestinian Authority and other Palestinian parties in placing representatives throughout the Gaza Strip on the eve of the withdrawal, Galab Darabya, an assistant to P.A. Foreign Minister Nabil Sha'ath, said Wednesday.

The Palestinian Authority and the terrorist groups already are coordinating on the Higher Islamic National Committee and on a security committee.

Darabya said the Palestinian Authority is concerned that Israeli Prime Minister Ariel Sharon is attempting to foment civil war among Palestinians.

P.A. and Hamas shootout kills one

A Palestinian was killed and many were wounded as Palestinian Authority security forces traded fire with Hamas gunmen.

Wednesday's shootout in the Gaza Strip occurred after a car carrying Hamas members did not stop for a police inspection.

The violence added to worries of increasing chaos in Gaza as Israel prepares to withdraw.

WORLD REPORT

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Ruling near in Swiss bank case, and groups fighting for money

By JOE BERKOFSKY

NEW YORK (JTA) — A chunk of the remaining money in the \$1.25 billion Holocaust-era Swiss banks settlement seems headed to the poorest of Holocaust survivors in the former Soviet Union.

That was the most likely scenario after the presiding judge in the case, Edward Korman of the U.S. District Court of Eastern New York, issued a scathing rebuke last week to an appeal by U.S. Holocaust survivors who want \$200 million from the settlement to fund social services for the neediest among them.

In a blunt, 50-page memorandum, Korman denied the appeal by the Holocaust Survivors Foundation-USA as "vague" and "flawed."

In contrast, he called "informative" a new survey that concludes that the poorest and neediest survivors are in the former Soviet Union.

"All individuals who survived the Holocaust bear scars, and all merit relief," the judge wrote of his aims in administering the money. "Nevertheless, left with limited funds to distribute, I had to render a judgment as to whose need was the greatest."

David Schaecter, president of the Florida-based Holocaust Survivors Foundation, which represents 50 grass-roots groups with some 20,000 members around the United States, said they were "devastated" by Korman's remarks.

"The dignity of the survivors has been snatched away from them and the death rate among survivors is accelerating, and we get the back of the hand from this court," he

said. Schaecter's remark was the latest salvo in the six-year struggle over the Swiss banks settlement.

That settlement was a landmark 1998 deal under which survivors or the heirs of looted Swiss bank deposits were to receive \$800 million in restitution out of a total settlement of \$1.25 billion.

Korman ruled several years ago that the poorest Jewish Holocaust survivors should receive 75 percent of the money remaining after the account holders were paid.

That set off a global scramble among more than 80 groups from Israel to Peru, sparking a minefield of moral, legal and financial questions about Holocaust reparations.

Claimants included governments and individual Jews, homosexuals, Holocaust museums and researchers, Chasidic groups, and Gypsies, also known as Roma.

So far, about \$145 million has been paid out to account holders or their heirs, according to the "special master" the court appointed for the case, Judah Gribetz. Some of the 21,000 people listed as account holders have not stepped forward, while the Swiss banks have been accused of withholding key account information that Korman said has slowed the restitution process.

In addition, a total of \$582 million has been allocated so far to other victims, including slave laborers, refugees and poor survivors in the former Soviet bloc.

"Every penny of the \$582 million that has been given out has gone to a human being," Gribetz told JTA.

The Holocaust Survivors Foundation
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**FOCUS
ON
ISSUES**

■ *As ruling nears in Swiss bank case, groups demand a piece of the money*

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long has suggested that the remaining money be distributed globally "according to where the survivors live," the group's attorney, Samuel Dubbin said, adding that survivors in the United States were no less deserving than others.

Dubbin points to the National Jewish Population Survey 2000-01, which put the number of U.S. survivors at between 25,000 and 56,000, with between 18 percent and 32 percent living below the poverty line.

Yet the court has made the fund "into a pool for charity," he said. "That's just not legally permissible nor morally proper."

In addition to surveys by the group Dubbin represents, two reports in the Swiss banks case attempt to identify and quantify the current living conditions — and even the war-era suffering — of Holocaust victims worldwide.

The Cohen Center for Modern Jewish Studies at Brandeis University conducted one study comparing the latest "hardship and need" among survivors in the former Soviet Union, Israel and the United States. The center's director, Leonard Saxe, called it "an odious task, a problematic task, to make comparisons" between suffering.

Brandeis undertook the \$50,000 study on behalf of the American Jewish Joint Distribution Committee, which helps care for some 225,000 elderly Jews and their families in the former Soviet Union, and which is among scores of parties vying for the available remainder of funds

from the Swiss banks settlement.

The report "was not designed to make the policy decision but simply to lay out the facts about the situation of victims in different countries and the resources they have available to them," Saxe said.

Brandeis undertook the work with the proviso that the JDC "would not have a say in how it came out," he added.

The Brandeis report surveyed four earlier studies of survivor demographics and living conditions, showing that of the survivors worldwide — estimates of their numbers range from 687,900 to 1.92 million — 39 percent to 47 percent live in Israel; 13 percent to 23 percent live in the former Soviet Union; 15 percent to 17 percent live in the United States; 17 percent to 21 percent live in Europe; and 2 percent to 5 percent live elsewhere.

The poorest are in the former Soviet Union, concentrated in Belarus, Moldova, Russia and Ukraine, living on as little as \$18 a month in pensions and receiving limited health care, the report said.

Even the 19 percent of poor survivors in Israel and 36 percent in the United States receive more in pensions or social security aid and can access better and cheaper medical care, the report said.

Herbert Block, the JDC's assistant executive vice president, said any money the organization received from the settlement would pay for food, home care and medicine for survivors in the former Soviet Union, but the agency has not requested a specific amount.

"It could be hundreds of millions, it could be next to nothing," Block said.

Among others vying for the money

were the Israeli government and the World Jewish Restitution Organization in Jerusalem, which commissioned a study on survivor needs by Hebrew University demographer Sergio DellaPergola.

The WJRO has urged Korman to allocate 55 percent of the remaining Swiss money directly to Holocaust victims, 25 percent for social services and 20 percent for Holocaust remembrance.

DellaPergola gave Israel's minister of Diaspora affairs, Natan Sharansky, a report that categorized the survivors' wartime suffering as "hardest" for those who were in concentration camps or

ghettos or were slave laborers; "medium" for refugees or those whose lives were seriously disrupted; or "lower" for any Jews who suffered duress during the Holocaust, such as having their rights curtailed.

DellaPergola could not be reached for comment, but many familiar with the report said it ignited a firestorm of criticism and that the index of comparative suffering later was removed.

"It's not clear you can develop an algorithm to make difficult moral and justice-based decisions," Saxe said.

The battle over the money could erupt again in Korman's court April 29 after representatives from the competing groups make a pitch for their funding proposals. After the hearing, Gribetz is due to make allocation recommendations to the judge, who has said it could take months until he makes a final decision.

The Holocaust Survivors Foundation's Schaefer vowed the group will demonstrate at the courthouse.

"It is a shame we have to go to this extent to get our message heard," he said. ■

It could take months for the judge to make a final judgment.

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Germany to aid survivors' pensions

BERLIN (JTA) — Germany pledged to resolve inconsistencies in how its states apply a pension law to survivors of ghettos during the Holocaust.

Germany's minister for health and social security, Ulla Schmidt, made the comments in a meeting Wednesday with officials of the Claims Conference and a Holocaust survivors group.

So far, some 50,000 survivors of World War II ghettos living around the world have applied for pensions of a few hundred dollars a month.

The executive vice president of the Claims Conference, Gideon Taylor, said there have been inconsistencies in interpretation of minimum age requirements, as well as other issues. ■

Morocco is caught between Arabia and West

By MICHAEL S. ARNOLD

CASABLANCA, Morocco (JTA)—When American Jewish figures were planning their visit to Morocco last month, one of their goals was to shore up the country's commitment to the war on terrorism.

They didn't realize how timely their visit would be.

Moroccans have been part of nearly every Al-Qaida cell discovered in Europe over the past two years, and a number of Moroccans have emerged as suspects in last week's massive suicide bombings in Spain.

Over the past decade, the scheduled stopover en route to the annual Israel mission of the Conference of Presidents of Major American Jewish Organizations has become as valuable as the time spent in Jerusalem. This year's stop in Morocco was no exception.

Conference officials choose the stopover on each year's mission with an eye to building strategic relationships that can help Israel and the Jewish people.

Recent destinations have included Kazakhstan, Uzbekistan, Turkey, Qatar and Jordan — relatively moderate Muslim states that can form a "firewall" against the spread of Islamic fundamentalism, in the words of Malcolm Hoenlein, executive vice chairman of the conference, an umbrella association of 54 groups representing a broad Jewish religious and political spectrum.

The group is seen as an important voice of American Jewry in Washington and around the world.

Conference officials had considered a visit to Morocco for several years, but as Israeli-Palestinian violence raged and King Mohammed VI consolidated his control after ascending to power in 1999, the timing was never propitious.

The pieces fell into place after Mohammed visited New York last fall and extended an invitation to a meeting with conference leaders.

"This is one of the most sensitive and significant trips we have taken," Hoenlein said during the three-day visit. "In Morocco you not only have a Jewish community" — one gravely shaken by a series of suicide bombings last May — "but important geopolitical issues."

For the conference, three issues were paramount: reassuring the Jewish com-

munity, strengthening Mohammed's stand against terrorism and enlisting the king's aid to break the Israeli-Palestinian impasse.

As chair of the Organization of the Islamic Conference's Jerusalem Committee — and, according to tradition, a descendant of the founder of Islam — Mohammed has the credentials in the Arab world to push for peace and normalization with Israel, conference leaders believe.

"I believe his majesty will play the largest role among all the Arab leaders," Hoenlein said. "In the vacuum of leadership in the Middle East, he can show courage in that role. And as a descendant of the prophet, he has standing in the Muslim world that can't be ignored."

Morocco's cooperation in the war on terrorism is no less essential. Indeed, Moroccan intelligence has become an important ally of Western agencies seeking to crack down on Islamic radicalism, especially in the days since the deadly attacks in Madrid.

Last year's Casablanca bombings were a trial for the young king, who had yet to conclusively demonstrate his authority.

After an initial stunned silence, Mohammed has reacted by taking a more assertive stand against Islamic radicalism.

For Mohammed, the Conference of Presidents visit was a means of strengthening his ties to the West and burnishing his credentials as an ally in the battle against terrorism.

In the background is the belief, common in the Arab world, that American Jews constitute a lobby of unrivaled influence in Washington.

Hoenlein says it is important to boost a country with one foot in the Middle East and one in Europe — Mohammed is moving, haltingly, on steps toward democracy and reform — more firmly into the Western camp.

"If we're serious about fighting Islamic fundamentalism, we have to be more supportive of the countries that are more moderate but that are largely ignored," he said.

The conference long has advocated for increased U.S. aid to Morocco. This year,

U.S. foreign aid was raised to \$65 million from \$12 million — but that's still only a fraction of the amount given to other U.S. allies in the Arab world, such as Egypt and Jordan. Both those countries saw their U.S. aid soar after signing peace treaties with Israel.

It's not clear the extent to which Morocco will help revive the Israeli-Palestinian peace process. Some say the hope that Mohammed will take a leading role is exaggerated.

Morocco froze its ties with Israel after the intifada began, closing its liaison office in Tel Aviv.

Yet lately there have been signs of a thaw. Israeli Foreign Minister Silvan Shalom was invited on an official visit to Morocco last September, and Moroccan officials are believed to be eager to revive links that saw thousands of Israeli tourists, including many of Moroccan descent, visit the country in the late 1990s.

The Conference of Presidents visit featured prominently in the country's state-sponsored media, a sign of the importance Mohammed places on cultivating relations with American Jewry.

Mohammed took a tough line at the half-hour meeting, criticizing Israel's West Bank security barrier and urging Israel to negotiate with Palestinian Authority President Yasser Arafat, according to members of the small Jewish delegation at the meeting. Israel and the United States have shunned Arafat because of his ties to terrorism.

"The significant thing is the ongoing relationship" that Jewish leaders are developing with the king, the conference's chairman, James Tisch, told JTA. "The king, I think, can be very influential at some point in time when he sees a real opportunity for progress" toward Israeli-Arab peace.

At least, the closer ties have produced one tangible result — the Conference of Presidents launched a relief fund immediately after a late February earthquake in Morocco killed an estimated 300 people.

Donations will be given through the American Jewish Joint Distribution Committee to the Moroccan Jewish community, which will distribute them to victims on a non-sectarian basis.

Lately there have been signs of a thaw between Morocco and Israel.

NEWS IN BRIEF

MIDDLE EAST

False-bottom bombers

The two suicide bombers who struck in Ashdod on Sunday are believed to have reached the port by hiding in a cargo container. Israel's Shin Bet security service has been working overtime to determine how the Palestinian teenagers managed to slip out of the fenced-in Gaza Strip and reach Ashdod, 10 miles away, for a double attack that killed 10 Israelis.

Security sources said Thursday that while X-raying one of the cargo containers trucked into the port, the Shin Bet discovered explosive components in a large hidden compartment. The current assessment is that the terrorists hid in the container before it was shipped out of Gaza via the Karni border crossing.

The Shin Bet ordered Karni, the lifeline for thousands of Palestinian farmers, closed indefinitely.

Group: Children in combat a crime

An Israeli human rights organization condemned the Palestinians' use of a child to transport explosives.

Taking advantage of a child compounds the crime of attacking civilians, B'Tselem said of Tuesday's attempt to smuggle a bomb through a security checkpoint near Nablus.

Abdallah Qar'an, 11, was stopped after an Israeli policewoman noticed wires jutting out of the boy's bag. Palestinian terrorists then tried to explode the bomb by calling the attached cell phone detonator, but it failed to explode, sparing the boy's life.

"Using a child to transport explosives is in and of itself a war crime," the group said.

Israeli economy up, up and away

The Israeli economy is strong, Moody's economic analysts said. In terms of economic policy, the current government is the best Israel has ever had, analysts Jonathan Schiffer and David Levy said in the rating agency's annual report on the Jewish state. Finance Minister Benjamin Netanyahu and Prime Minister Ariel Sharon have taken unprecedented steps, they said. Moody's Israel representative, Jacob Lascow of the Midroog rating agency, said Israel's economic recovery began in the second half of 2003, thanks to reduced government debt and lower interest rates. Israel's GDP is expected to rise in 2004, for the first time in two years, Lascow said.

Yossi Beilin wins

Yossi Beilin, architect of the Oslo peace process and the "Geneva accord," is the leader of a new left-wing political party.

"The people have said 'yes' to peace, 'yes' to Geneva, 'yes' to a welfare state," Beilin told supporters Wednesday after learning he had taken 53 percent of votes in the ballot to head the Yahad Party.

The party was formed by a coalition of the Meretz Party and disgruntled members of the Labor Party. Beilin said he would oppose any efforts by the Labor Party to join a governing coalition with Prime Minister Ariel Sharon's Likud Party.

Eyes in the sky

Egypt and Iran may be close to launching spy satellites.

According to a report by SpaceDaily.com, Cairo's satellite program is two years away from completion, and Israeli experts believe an Iranian satellite announced by Tehran in January could be ready by 2005. Israel is the only Middle East country to have launched satellites — both for reconnaissance and telecommunications purposes — and Jerusalem has lobbied hard to prevent Western-owned space companies from selling images of its military installations to Israel's enemies.

Egyptian and Iranian satellites not only would open Israeli territory to spying, but could be used to mask programs to develop longer-range ballistic missiles, experts said.

Terminal wait for Israel

A new Tel Aviv international airport terminal originally due open in 2000 now is expected to be ready in 2005.

Israel's Channel Two television said Wednesday that the managers of the "Ben-Gurion 2000" project had pushed off the most recent deadline — June 2004 — to next year, citing holdups in construction. The multimillion-dollar initiative was launched in the 1990s as Israel looked forward to tourism during the millennium year and thereafter — hopes largely dashed by the violent Palestinian intifada.

NORTH AMERICA

Armitage: Fence 'problematic'

A U.S. deputy secretary of state said the United States considers the West Bank security barrier "problematic."

In a radio interview Tuesday, Richard Armitage said the fence is problematic if it prejudices a final peace agreement between Israelis and Palestinians and if it confiscates Palestinian land. "I am pleased to report that the Israelis have shortened the barrier, and they have moved it to areas inside of Israel," Armitage said in the interview with Talk Radio News. "So they've been responsive to our concerns on this."

Armitage also called Osama bin Laden a "Johnny-come-lately to the peace process," suggesting he is using the Israeli-Palestinian dispute to garner Arab support and that the conflict can help Islamic radicals recruit terrorists.

WORLD

Insurance claim deadline extended

The deadline for filing Holocaust-era claims against European insurance companies was extended to March 31.

The extension applies only to survivors or victims' families who requested a claim form before Dec. 31, 2003, from the International Commission on Holocaust Era Insurance Claims.

The forms must be received by the commission's offices in Holland or Washington by March 31, said the California insurance commissioner, John Garamendi.

Poll: Some Muslims 'get' suicide bombings

Forty-seven percent of British Muslims said they would consider becoming a suicide bomber if they were Palestinian, a new poll said. The poll for the Guardian newspaper also found that 13 percent of the 500 Muslims polled supported Al-Qaida attacks on countries such as the United States.

A spokesman for the mainstream Islamic representative body, the Muslim Council of Britain, said the poll showed most Muslims strongly oppose terrorist attacks and condemned last week's Madrid bombings.

Man charged for wartime killings

A man was charged in Berlin for his alleged role in killing Slovaks during World War II.

Ladislav Niznansky, 86, is accused of leading the Slovak section of a Nazi unit named Edelweiss, which killed Resistance fighters and Jews in the last few years of the war.

He also is suspected of ordering the killings of 18 Jews in Ksina, Slovakia, in 1945.