

IN THE NEWS

Sharon: My Cabinet will pass pullout plan

Israeli Prime Minister Ariel Sharon vowed to get Israeli Cabinet approval for his Gaza withdrawal plan.

"The plan will be passed on Sunday. Period," Sharon told reporters Wednesday, referring to the next meeting of Cabinet ministers.

This week's Cabinet session adjourned amid opposition led by Finance Minister Benjamin Netanyahu to the scope and schedule of the proposed removal of all 21 settlements in Gaza and four in the West Bank.

On Wednesday, Labor Party legislator Haim Ramon quoted Sharon as saying at a closed-door discussion that "not a single Jewish settler will remain in Gaza" or the northern West Bank by the end of 2005.

Bush backs full pullout from Gaza

Ariel Sharon's decision to fully withdraw from the Gaza Strip is "courageous," President Bush said. "Prime Minister Sharon's plan to remove all settlements from Gaza and several from the West Bank is a courageous step toward peace," Bush said Wednesday in a speech on terrorism.

Bush's emphasis on a "full withdrawal" is significant because U.S. officials have made it clear they oppose watered-down versions of the plan touted by Sharon's political rivals.

Saudis shut down international charities

Saudi Arabia is consolidating its international charities into a government-supervised commission to cut links to terrorism.

Adel Al-Jubeir, a foreign affairs adviser to Saudi Crown Prince Abdullah, said Wednesday in Washington that his country's largest charity, Al-Haramain Islamic Foundation, will be dissolved. The White House has been concerned about the financing of Al-Qaida from Saudi Arabia. [Story, Pg. 3]

WORLD REPORT

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A phrase matters in latest dispute over Nazi-era slave labor payments

By JOE BERKOFKY

NEW YORK (JTA) — The latest legal battle over compensation for Nazi-era slave labor all depends on the meaning of the phrase "at least."

In U.S. District Court in New Jersey last week, attorneys for U.S. Holocaust survivors and German corporations squared off over whether the firms owe more money in addition to the hundreds of millions of dollars already paid out to Jews and non-Jews forced into slave labor by Germany's Nazi regime.

The attorneys also were arguing over whether Germany or the United States should settle the dispute.

The survivors are arguing that German companies such as Alliance, Bayer, Deutsche Bank and Daimler Chrysler owe the equivalent of 150 million to 300 million deutschmarks in interest accrued from a fund they and the German government created to compensate slave laborers.

That amount roughly equals the money needed to make a second round of payments to slave and forced laborers, after the number of claimants that came forward exceeded estimates.

Under a landmark 1999 pact signed in Berlin in 2000, the German government and hundreds of German companies agreed to share equally in the costs of establishing the German Foundation "Remembrance, Responsibility and the Future," a 10 billion deutschmarks fund — about \$5 billion — in return for the dropping of 49 class-action lawsuits by slave laborers in the United States against them.

The dismissal of the lawsuits was ex-

pected to take six months, during which time "at least" 100 million more deutschmarks was expected to accrue on the money held in the fund. Instead, the cases took 14 months to wrap up, and the fund earned more interest. The interest has been accruing since 2001.

Now, the two sides are arguing over who should get that extra interest.

"It all boils down to whether 'at least' is a ceiling or a floor," Burt Neuborne, the lead attorney for the survivors and director of the Brennan Center for Justice at New York University, told JTA, referring to the extra interest.

Last year, the foundation began making the first round of payments to the former slave laborers. Slave laborers in concentration camps received about \$7,500; those uprooted and forced to work for the Germans received \$3,000; and those forced to perform agricultural work received between \$500 and \$1,000.

To date, more than 137,000 Jewish slave laborers in 56 countries have received \$668 million, according to the Claims Conference, which is administering the payments under the 1999 agreement.

More claimants have come forward than expected, making the additional interest crucial to covering the payments.

Roger Witten, representing the German Foundation Initiative, a group of 17 leading German firms that collected compensation from 6,000 German companies, said his group bears no responsibility for the fact that far more slave laborers have submitted claims than expected.

"That risk was there all along — everybody

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**FOCUS
ON
ISSUES**

■ *A phrase matters in latest dispute over Nazi-era slave labor payments*

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understood it," he said in an interview.

But Roman Kent, a survivor advocate and former slave laborer in Auschwitz, said it is a "disgrace" that German companies are using "gimmicks" to avoid relinquishing the extra money.

The money amounted to "a token compensation, just to justify their conscience and our conscience that the new generation recognizes what their forefathers did not," said Kent, who is the chairman of the American Gathering of Jewish Holocaust Survivors. "But by not living up to the agreement, they cannot blame their forefathers, they can only blame themselves."

Jews account for between 20 and 25 percent of all those who qualify for compensation under the agreement, and others — including Gypsies, Poles, Russians, Slavs and Ukrainians — also are receiving the payments.

Gideon Taylor, executive vice president of the Claims Conference, said his group backs the attempts to gain control of the added interest.

"We believe it is critical to get sufficient funds from the interest of both the German government and industries in order to make the largest possible payments to Jewish survivors. This is what we're fighting very hard to do," Taylor said in an interview.

In a statement, the Claims Conference called the unexpected interest "an economic windfall earned at the expense of Holocaust survivors."

The judge in the New Jersey court,

William Bassler, agreed to dismiss the lawsuits pending before his court, as did U.S. District Court Judge Michael Mukasey, of the Southern District of New York. But Judge Shirley Kram, also of U.S. District Court in New York, refused. Eventually, she was forced to relinquish the cases under a rare court order.

Also at issue before the courts is who has the authority to decide the matter of the extra money.

Neuborne argues that a U.S. court should decide, because the original settlement said the matter would be decided in the United States. However, Witten says that the U.S. deputy secretary of state, Richard Armitage, told the German government that the issue should be settled in Germany and that German Finance Minister Hans Eichel told U.S. Secretary of State Colin

Powell the same thing.

"German institutions have, in fact, considered the question and determined German companies don't owe more money," Witten said. "And to the extent there are avenues of relief, they are, under the Berlin agreements and both according to the German and U.S. governments, in Germany and not in the United States."

Bassler could not be reached for comment.

But a recent ruling Bassler made in another Holocaust reparations case may signal where the case is headed.

In May, Bassler ruled that Barbara Principe, 71, of Newfield, N.J., could not use U.S. courts to pursue a \$200 million property claim against one of Germany's largest department store chains because the United States lacked jurisdiction.

The unexpected interest is 'an economic windfall earned at the expense of Holocaust survivors.'

Claims Conference

New Czech Jewish archives open

By MAGNUS BENNETT

PRAGUE (JTA) — Researchers will be able to study hundreds of years of Czech Jewish history following the completion of an archive in a synagogue here.

Prague's Jewish Museum recently completed a \$2.2 million renovation and reconstruction of the Smichov Synagogue, which was used by the Nazis as a warehouse for storing confiscated Jewish property before it fell into disrepair during the Communist era.

The shul soon will house thousands of artworks and a central archive of surviving documentation from Jewish communities living in Bohemia and Moravia as far back as the mid-15th century.

The move marks the museum's last major reconstruction project to find permanent homes for its wide range of historical collections and documents.

In time, they also may include postwar records from Jewish communities across the Czech Republic.

The director of the Jewish Museum, Leo Pavlat, said the museum finally had completed its goal of establishing long-term bases for its permanent exhibitions

and archives after 10 years as an independent Jewish institution.

The original structure of the 140-year-old synagogue will house the museum's archives, most of which cover the history of Jewish communities up until 1945.

The archives, which are currently being housed at a location outside Prague, gradually will be moved to their new home after cleaning over the course of this year.

A new wing also has been added to house the museum's visual art collection, which has been stored in less ideal conditions at the city's Pinkas Synagogue.

The Smichov project, which has drawn praise by experts for its architectural and technological innovation, is not without its critics, however.

Some visitors on the tour expressed reservations about using a house of prayer as an archive.

Pavlat acknowledged that ideally a shul should remain a house of prayer, but he said tragic historical circumstances had forced Prague's Jews to accept Smichov Synagogue as the best option.

"There is also enough space for prayer here," he said.

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Will new Saudi crackdown curtail Hamas funds?

By MATTHEW E. BERGER

WASHINGTON (JTA) — Jewish groups and terrorism analysts want to know if a pledge by Saudi Arabia to cut funding for terrorist groups includes those that target Israel.

Adel Al-Jubeir, a foreign affairs adviser to Saudi Arabian Crown Prince Abdullah, announced Wednesday that the country would dissolve some of its largest charities and create a new organization with financial oversight to dole out money.

A spokesman for the American Israel Public Affairs Committee said he wanted more details.

"This could be an important step, but there certainly remains much more for Saudi Arabia to do to end funding for terrorists and terrorist groups," said Josh Block.

Left unclear, for instance, was whether the new system would target charitable giving to Hamas.

Al-Jubeir said Saudi money going to Palestinians is directed to the Palestinian Authority, the Red Crescent Society or the U.N. High Commissioner on Refugees. Al-Jubeir called Saudi support for Hamas "overblown."

Prince Faisal al-Turki, the Saudi ambassador to London and a former intelligence chief, sidestepped the question on CNN when he said that all Saudi money goes to the Palestinian Authority, and not to Hamas.

"We have never given direct money to Hamas or even indirect money," al-Turki said.

The new entity targets private funding, not direct government support, and no one would say whether donations to Hamas would be restricted with the same vigor as funding for al-Qaida.

That's key, according to AIPAC, which reports that \$10 million a year in private Saudi funds go to Hamas.

Also in question was the Saudi government's moral support for such groups.

A 2002 telethon fund-raiser on state-run Saudi television garnered \$150 million for Palestinians, and U.S. Secretary of State Colin Powell said at the time that some of the money would end up in Hamas' coffers.

Under the new system, the Saudis are closing the country's largest charity,

Al-Haramain Islamic Foundation, and another one called the Palestinian Fund, and consolidating charitable giving into a new agency, the Saudi National Entity For Charitable Work Abroad.

Al-Jubeir said the new entity would have total transparency and strict oversight, stressing that the charity would be unable to work in countries unless it is approved by the host government.

"They will have a requirement to provide an accounting every three months of the funds that are spent, and they will have a requirement to provide audited statements every year in terms of how much money was collected and how much money was spent and where was it spent," he said at a news conference in Washington.

"We do this in order to ensure that the charity of our citizens goes to those who actually need it and that we know where funds go when they leave Saudi Arabia," Al-Jubeir said.

Whether or not "those who actually need it" include Hamas remained an open question. Saudi Arabia has often defended Palestinian groups on the United States' Foreign Terrorist Organization list as charities that provide important humanitarian services.

"As far as Hamas is concerned, we believe there are people in Hamas who use terrorist methods," al-Turki told CNN, "but Hamas also does some charitable work in Palestine."

Still, terrorism experts said, any Saudi crackdown on terrorism has a salutary, if unintended, effect on curbing funding for Hamas.

Matthew Levitt, a senior fellow at the Washington Institute for Near East Policy and a former FBI analyst, said many of the organizations and people Saudi Arabia has been targeting for their ties to Al-Qaida also are principle donors to Palestinian terrorist groups.

"It inadvertently struck a major blow at Hamas funding," Levitt said.

He noted that Hamas has been forced to reach out to Shiite-dominated Iran

for funding, something anathema for a stridently Sunni Muslim group.

Steve Emerson, a terrorism expert with the Investigative Project, said he believed the announcement could signal a step forward. But he was still concerned about Saudi definitions of what is and what is not legitimate.

"Their definition of terrorism is totally at odds with what our definition is," Emerson said.

The announcement comes at an opportune time

for President Bush, who has been targeted by Democrats for his friendliness with a regime that has a history of looking the other way when it comes to support for terrorism.

Abdullah's comments in April suggesting that terrorist attacks in his country were done by "Zionist hands," have increased skepticism by some Jews about Saudi Arabia's real intentions in curbing terrorist ties.

Jewish officials said they were encouraged, however, that Wednesday's announcement was done in coordination with the U.S. State and Treasury departments. The U.S. government considers the Palestinian groups as terrorist organizations.

Democrats remained skeptical.

"It's a first step, but my first question is how seriously can they address terrorism when they blame it on the Jews?" said David Harris, deputy executive director of the National Jewish Democratic Council.

"Only time will tell, but the rhetoric has to change at the same time, and this administration has to take the lead on this," he said.

Republicans hailed the announcement as a sign of the Bush administration's resolve in the war on terrorism.

"This is a major victory for the war on terror and underscores the president's resolve to press nations, no matter who they are, ally or adversary, to do what it can to crack down on the funding of terror," said Matt Brooks, executive director of the Republican Jewish Coalition.

'How seriously can they address terrorism when they blame it on the Jews?'

David Harris

National Jewish Democratic Council

NEWS IN BRIEF

MIDDLE EAST

Hamas gunmen killed

Israeli forces killed two Hamas gunmen on Israel's boundary with the Gaza Strip.

Hamas claimed the two Palestinian men as members. They were shot dead Wednesday as they approached Israeli troops at the Karni checkpoint, armed with assault rifles and rocket-propelled grenades.

Later Wednesday, Israeli forces discovered an arms-smuggling tunnel from Egypt in Rafah, a Palestinian refugee camp on Gaza's southern border.

Likud minister turns mediator

A Likud minister proposed a compromise to ensure a positive vote for Ariel Sharon's Gaza pullout plan in Sunday's Cabinet meeting.

Immigration and Absorption Minister Tsipi Livni proposed Wednesday that rather than having to approve the entire plan, the Cabinet should approve it in principle and then ratify it later for implementation.

Endorsed by the Israeli prime minister, Livni met with Finance Minister Benjamin Netanyahu, the plan's chief critic, at a Tel Aviv hotel to win his support. Sharon has vowed that the Cabinet will approve the plan when it next meets on Sunday.

Israeli ex-chief rabbi backs civil marriage

A former chief rabbi of Israel called for ending Orthodox oversight of marriage in the Jewish state.

On Tuesday, ex-Sephardi Chief Rabbi Eliyahu Bakshi-Doron called for dismantling the Orthodox Rabbinate's monopoly over marriage law in Israel, saying it "merely creates hatred," Ha'aretz reported.

The statement at a Jerusalem rabbinical conference was called a "bombshell," signaling the first time a top Israeli rabbi has advocated marriage outside of Orthodox oversight. But Bakshi-Doron's successor, Shlomo Amar, told Israel Television that the status quo was unlikely to be changed without rabbinic consensus.

Israeli Arabs harbored bomber

Four Israeli Arabs were convicted of unwittingly harboring a Palestinian suicide bomber.

Four members of the Bakri family hid the terrorist in their village of Bana in August 2002 without knowing of his plan to bomb a bus at the Meron junction, an Israeli court ruled Wednesday. But the four were found guilty of obstructing justice for not cooperating with the investigation. The attack killed nine people.

NORTH AMERICA

PLO Israel supporter turned away

A former PLO terrorist turned supporter of Israel was stopped by immigration officials as he boarded a flight to Vancouver. The incident involving Walid Shoebat occurred Monday at a California airport.

Shoebat has been warmly welcomed by Jewish audiences across the United States and Canada in recent months, including one in Winnipeg. Shoebat, who grew up in a village near Bethlehem and now lives in northern California, was scheduled to deliver an anti-terrorism lecture in Vancouver. The talk went on as scheduled by live video link.

Canadian court rules for ex-war criminal

Canadian Jewish officials are upset about a court decision to reinstate the citizenship of a World War II criminal. The reaction by the

Canadian Jewish Congress came after the appeals court overturned an order revoking the citizenship of Helmut Oberlander, a former member of a notorious Nazi killing unit responsible for the murder of tens of thousands of Jews.

The Canadian Cabinet ordered Oberlander's citizenship revoked four years ago.

But in a 3-0 decision Sunday, the court faulted the Cabinet for not giving reasons for its decision or considering Oberlander's conduct in the 50 years since he lied to gain admission to Canada.

Jewish officials have called upon the government to correct the alleged deficiencies of the earlier revocation order or appeal to the country's Supreme Court.

Group blasts abortion decision

An Orthodox Jewish group condemned a judge's decision to overturn a government ban on late-term abortions.

"To use the Constitution to protect the termination of potential human life — perhaps even what amounts to infanticide — is to turn the document on its head, and undermines the very values and rights it is intended to embody," Abba Cohen, the Washington director of Agudath Israel of America, said Wednesday.

A federal judge in San Francisco overturned the ban Tuesday as it applies to Planned Parenthood clinics — where about half the legal abortions in the United States are carried out — saying it did not sufficiently take into account women's health and their right to privacy.

The Reform movement and the National Council of Jewish Women praised the judge's decision.

Nazi's deportation upheld

A U.S. court upheld the deportation of a man said to have been an SS guard in World War II.

On Tuesday, the 8th Circuit Court of Appeals in St. Louis backed a 2002 immigration court ruling that Michael Negele, 84, of St. Peters, Mo., should be exiled to his native Romania.

The Justice Department's Office of Special Investigations, which hunts Nazis, found documents showing Negele served as an armed SS Death Head Battalion guard at Sachsenhausen, and later at the Theresienstadt Jewish ghetto.

He entered the U.S. in 1950 on a German visa and obtained U.S. citizenship in 1955.

WORLD

Ukraine vows to return Torahs

A Ukrainian official pledged to help the Jewish community reclaim ownership of dozens of Torah scrolls confiscated during Communist rule.

Victor Bondarenko, head of Ukraine's State Committee on Religious Affairs, made the promise last week during a conference on religious freedom in Kiev.

"It is necessary to transfer Torah scrolls to the possession of Jewish communities," Bondarenko told JTA. He said the situation mars otherwise good relations between the state and the Jewish community in the former Soviet republic.

Kenyan terror trial resumes

A trial resumed Wednesday in Mombasa of four Kenyans accused of the November 2002 terrorist attacks on Israeli targets.

Prosecutors say the defendants orchestrated the suicide bombing of the Israeli-owned Paradise Hotel, which killed 15 people, three of them Israelis, and attempted to shoot down an Israeli passenger plane.