



State of Israel Report

Draft

2009

Dear Participants of the HEAC,

With great honor, I wish to present to the secretary of the HEAC the Second Global Report on Restitution of Rights and Looted Jewish Property (1952-2008). It was created for the 2009 Prague Holocaust-Era Assets Conference to serve as a resource, as well as a basis for deliberations.

This report is based mainly on The First Global Report on Restitution of Jewish Property (1952-2004) which was composed in accordance with a 2003 Israel Government resolution, by the Inter-Ministerial Steering Committee on Restitution of Rights and Jewish Property. The First Report included the activities in Israel and various other countries and consolidated the reports of the countries and organizations engaged in this subject. The report was submitted to the Ministerial Committee on Restitution of Rights and Jewish Property, discussed and approved by Government resolution in 2005.

We acknowledge with gratitude all those who participated in compiling both reports. Without their important contributions, assistance and devotion this report would have never reached its present depth and comprehensiveness (please see names listed on the last page of this report).

I would like to thank Mr. Aharon Mor, Senior Director for Restitution of Rights and Jewish Property at the Ministry of Senior Citizens, and Ambassador Reuven Merchav, former Director General of the Ministry of Foreign Affairs for coordinating the Inter-Ministerial efforts essential for creating this report.

I wish us all fruitful discussions, and may this conference advance the topic addressed herewith.

Sincerely,

Yuli Edelstein

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EXECUTIVE SUMMARY[1]

The Holocaust (*Shoah*) was accompanied by the biggest and geographically widespread looting in human history. Though the *Shoah* ended 64 years ago, restitution of Jewish property is far from complete, and not only for needy *Shoah* survivors.

The State of Israel is unique among the States participating in this project. The *Shoah* was an unprecedented, utterly unique event in human history. Nazi racial ideology targeted all Jews for murder just because they were Jews. No such attempted mass murder of an entire people had occurred before.

Therefore, the immensity of the issues discussed in the State of Israel, with all dues respect, is by definition different from other States. In Israel, direct aid to needy *Shoah* survivors and how to assure that no such catastrophe ever befalls Jews in the future ('Never Again') are primary issues in the nation. Location of and Restitution of *Shoah* victims assets, while vitally important, are generally considered less pressing. Israel's responsibility for *Shoah* survivors is a long-standing legal and moral obligation.

The State of Israel provides assistance for *Shoah* survivors in many ways: Financially, socially, medical care, benefits, information, acknowledgment, Psychologically and by demonstrating nurturing appreciation for their suffering.

There are approximately 256,000 *Shoah* survivors in Israel. They are placed administratively in two major groups: holocaust survivors who receiving monthly and additional benefits and Holocausts survivors receive social benefits pensions who receiving monthly pensions and additional benefits.¹

In addition *Shoah* survivors in Israel are entitled to Social Security pensions and other pensions that they have earned during their working years, as well as aid given to needy among them by the Foundation for the Benefit of Holocaust Victims in Israel.

It is universally accepted by the civilized and rational in the world that the term

¹ . 43,000 who are entitled by Israeli law and get monthly NIS1,850 (\$450) and additional benefits.

* 60,000 needy holocaust survivors who are entitled monthly payments of NIS1,000 (\$250) and additional benefits. 2,500 holocaust survivors who were in ghetto, slave labor camps and concentration camps receive NIS1,000(\$250) (which will be upgraded at the end of 2009) , this group should have receive their pension directly from the federal German government , however in spite of this fact, the Israeli government took upon on it self to pay these pensions although they were not obligated to do so. In addition there are two groups receiving monthly pensions and additional benefits from Germany: 20,000 who are entitled to the German (BEG) pensions and get at least EUR455 (\$574)[2]; 23,500 who are entitled to the article II claims conference program and get monthly EUR290(\$362). In addition since 2008 holocaust survivors receiving article II claims conference pension receive additional social benefits amounting to NIS4,000 paid by the finance ministry. The above four figures do not add up to 256,000. Many *Shoah* survivors living in Israel received one-time payments for their forced labor and other abuses

Holocaust, or the *Shoah* in Hebrew, refers to the six million Jews who were murdered by Nazi Germany and its collaborators.

In Israeli schools the *Shoah* is both taught as a separate subject and as part of a broader topic, such as the history of world civilizations. Since the *Shoah* is part of Jewish history and Israeli history, and its commemoration is part of the national calendar, aspects of this subject are frequently addressed in many different educational settings.

Numerous high school students engage in *Shoah*-related projects throughout the school year. Such projects are not limited to a few days prior to *Shoah* Remembrance

Day observed each year in the country shortly after the Passover Holiday. For many years, pupils have composed music to *Shoah* poetry. *Shoah*-related performances take place in communities throughout the nation; *Shoah* survivors tell their life stories and are interviewed for publication and/or broadcast; Pages of Testimony are collected from old age homes and there are art exhibitions on *Shoah* themes.

Holocaust Martyrs' and Heroes' Remembrance Day (*Yom Hashoah* in Hebrew) is a national day of commemoration in Israel. The six million Jews murdered in the *Shoah* are remembered and mourned.

According to the data collected by the International School for Holocaust Studies at Yad Vashem, the museum of the Holocaust in Jerusalem, more than 100,000 Israeli high school students visit Yad Vashem every year.

For approximately 20 years, Israeli students have been traveling on study tours to Poland, primarily to bear witness at Nazi extermination camps, such as Majdanek, Auschwitz-Birkenau and Treblinka.

Over the last five years, several new textbooks for Israeli high school students have been published on the chronology and other aspects of the *Shoah*.

Clearly, the social and historical context of Israeli society has a profound ongoing influence on *Shoah* education and remembrance. In the words of the well-known Israeli novelist Aharon Appelfeld, the *Shoah* is still perceived as a biological wound. *Shoah* has become an integral part of Israeli popular culture as reflected intensely in literature, films, theater productions and television programs. Further, and perhaps more importantly, it has become a major element of Israelis national and Jewish identity.

Since the end of the 19th century, and especially since near the end of the First World War in 1917, Jews from Central and Eastern Europe (as well as from America and Western Europe) purchased land, houses and apartments in the pre-State Israel (from 1918 until 1948: British Mandate). Jews abroad increasingly deposited money in banks in the Land of Israel and purchased securities for investment. A number of Jewish Zionist companies became available internationally for real estate and financial investors, which saved them the necessity of coming to the Land of Israel, not an easy task prior to the age of jet airplane travel.

In the year 2000 Member of Knesset Colette Avital established a Parliamentary Inquiry Committee on the Location and Restitution of Assets of Holocaust victims located in Israel. During the course of its work, the committee published two interim reports and a final report at the end of its existence, published in December 2004, regarding deposits held in Israeli banks.

As a result of the recommendations of the committee, a new Israeli law ordered the establishment of a company whose role would be the location and restitution of *Shoah* assets looted from victims living in Israel. The company also locates the heirs of the *Shoah* victims to whom the assets belonged. Assets belonging to victims whose heirs are not found are used to assisting needy *Shoah* survivors currently living in Israel. When this is not possible, such assets are applied to education and commemoration of the *Shoah*. The company is funded for a period of 15 years, during which it is expected to complete its missions.

From the time it came to power in 1933 through the end of World War II in 1945, the Nazi regime systematically looted works of art and cultural property belonging to Jews and others in Europe on a massive and unprecedented scale. Hundreds of thousands of such objects were unlawfully and often forcibly taken from their rightful owners, including murdered *Shoah* victims, public and private museums and galleries, and religious, educational, and other institutions.

In the years since the 1998 Washington Conference, The Israel Museum in Jerusalem has become increasingly active in the field of World War II restitution, being among the first, in 2000, to host a conference on the broad subject of art and artifacts stolen and lost during the war. Its curators in relevant departments continue to research the Museum's holdings with regard to World War II provenance.

In 2007 the Museum launched a website entitled *World War II Provenance Research Online*. The website features a catalogue of all of the Jewish Restitution Successor Organization (JRSO) and the Jewish Cultural Reconstruction (JCR) holdings, including images of all items and all available detailed information. The site also includes a link to the website of the Company for the Location and Restitution of *Shoah* Victims Assets, which acts on behalf of the State of Israel with regard to the broader subject of asset restitution.

In 2008 the Museum also presented two landmark exhibitions, ***Orphaned Art: Looted Art from the Holocaust in The Israel Museum, Jerusalem*** and ***Looking for Owners: French Policy for Provenance Research, Restitution and Custody of Art Stolen in France during World War II***. The objective was to explain through display the complex history of art lost in World War II, mainly based on the wartime experience in France, which suffered an unparalleled level of cultural looting during the war. The exhibitions also recorded and displayed Israel's own experience as a custodian of such material.

In each instance it has been the Museum's goal to provide an example for the appropriate resolution of claims to recover cultural property lost during World War II. The Museum will continue to take an active and leading role in this matter, recognizing at all times both its sensitivity and its complexity. Because of its unique

perspective in Jerusalem in the State of Israel the Museum's engagement with this subject is appropriate and crucial.

The model for dealing with the aftermath of the *Shoah*, as summarized in this report, considers the major issues. This model, or components, may well serve other States because it includes extensive aid for needy *Shoah* survivors from the Israeli government, as well as from Germany, the Claims Conference, and the Foundation for the Benefit of Holocaust Victims in Israel. Also worthy of replication is Israel's exemplary activities on *Shoah* Education, Remembrance and Research and its exceptional law on Location and Restitution of *Shoah* Victims Assets that deals with private, individual property. The only other nation with anything comparable is Germany, which has a comprehensive law that deals with restitution of all types of Jewish property with special attention and activity on *Shoah* Art and Judaica.

A. AID FOR NEEDY *Shoah* SURVIVORS^[3]

The State of Israel provides assistance for *Shoah* survivors in many ways: financially, socially, medical care, benefits, information, acknowledgment, psychologically and by demonstrating nurturing appreciation for their suffering.

Financial aid for the Israeli *Shoah* survivors is an outcome of a series of laws and agreements that start with the 1952 Reparations agreement with Germany.

In 1952 Israel signed an agreement with West Germany in which it received three billion Deutch Marks (DM) (\$750 million at that time) dedicated to the resettlement of *Shoah* survivors who immigrated to Israel. In return, Israel resigned rights for claims on behalf of *Shoah* survivors who immigrated to Israel before October 1953. Israel took upon itself the obligation to provide them with special pensions instead of German pensions².

In 1957 Israel adopted a law for the benefit of invalids, Israeli citizens who suffered disabling injuries inflicted by the Nazi regime during World War II. The law granted a monthly pension payment to *Shoah* survivors who came to Israel before 1 October 1953 and who had no connection to Germany. The law also provided an larged pensions for needy *Shoah* survivors. The basic pension totals NIS1,850 (\$400) a month for 25% of disability and is granted without a disability examination and without a causative connection between Nazi persecution and disability. There are currently about 43,000 *Shoah* survivors living in Israel who get such pensions.³

In 2000 it was determined that, under the provisions of the guaranteed minimal income regulations (from 1982), the payments for the German agreement with the Claims Conference (from 1992) would not be considered as an income.^[4]

In 2007 the law of Benefits for Needy *Shoah* survivors was adopted. The law was applied to those *Shoah* survivors who were entitled to a minimal income guarantee and were imprisoned in a concentration camp, ghetto, or forced labor camp, and survivors who stayed in a hiding place for at least a year and a half. The law granted a yearly payment in the amount of NIS 4,000 (\$1000), 10% extra for rent aid, and preferable access to public housing.^[5]

² *Shoah* survivors, approximately 20,000, receive directly German (BEG) pensions of at least EUR455 (\$574).

³ In 1980 the Claims Conference Hardship Fund was established and granted a one-time payment of EUR 2,556 (\$3427) mostly to immigrants for Eastern Europe. In 1992 the German agreement with the Claims Conference granted *Shoah* survivors a monthly pension of EUR290 (385\$) if they fit the following criterions: 6 months in concentration camp or labor camp, months in ghetto or hiding place. There are about 23,500 currently entitled living in Israel. The Compensation Fund for Forced Labor Workers was established in 2000. A *Shoah* survivor who was held in a concentration camp or in a ghetto was entitled to a one-time payment of EUR 7,669(\$10282). A *Shoah* survivor who was held in a forced labor camp was entitled to a one-time payment of EUR 2,556 (\$3,427).

Today there are 256,000 Holocaust survivors living in Israel; 60,000 are regarded as needy. According to the new law from 2007 they receive the following:

1. 2,500 Holocaust survivors who were in ghetto, slave labor camps and concentration camps receive NIS1,000 (which will be upgraded end of 2009) , this group should have receive their pension directly from the federal German government , however in spite of this fact the Israeli government to it on it self to pay these pensions Monthly pension of NIS1000 (\$250)
2. A yearly certificate for services including recuperation fee for the amount of NIS2,400 (\$600)
3. No charge for television toll.
4. Discount in property taxes.
5. Partial refund on electrical supplies taxes,
6. Benefit grant for needy survivors in the amount of NIS4,000 (\$1,000) per annum.
7. Increasing the basic budget of social care for survivors to NIS100 million (\$250 million) in 2008, and NIS200 million (\$50 million) in 2009.
8. Allotting NIS16 million (\$4 million) for organizations that act to obtain compensation from foreign countries for survivors.

In total the new law dedicates NIS441 million (\$110 million) per annum to aid needy survivors this including allocating a yearly budget of NIS100 millions (25 million\$) for social benefits dedicated to article II claims conference program.

In recent years, due to the increase activities of the Israeli government in the field of benefits to Holocausts survivors, the Israeli government pays over NIS2.5 billion(625 million\$) yearly.

In addition, the government found through its social security mechanism ways to upgrade monthly benefits for needy holocaust survivors. Since the 1957 law for the benefit of invalids who suffered from the Nazis was enacted, the Israeli government has dedicated over \$3 billion for the aid of survivors by means of this law.

B. Shoah EDUCATION, REMEMBRANCE AND RESEARCH[\[6\]](#)

Since 1982, a minimum of 30 hours of *Shoah* studies, as part of the discipline of history, has been mandated in all State Israeli high schools by the Israeli Ministry of Education, Culture and Sport. Usually taught in the eleventh and twelfth grade, history teachers mostly devote between twenty to thirty classes on this topic. Since 1999, the *Shoah* has become a recommended part of the junior high school curriculum as well.

It is universally accepted by the civilized and rational in the world that the term Holocaust, or the *Shoah* in Hebrew, refers to the six million Jews who were murdered by Nazi Germany and its collaborators.

In Israel the *Shoah* is taught both as a separate subject and as part of a broader topic, such as the history of world civilizations. Because the *Shoah* is part of Jewish history and Israeli history and its commemoration is part of the national calendar, aspects of the subject are often addressed in many different educational settings.

Children in day-care frameworks listen to the two-minute siren commemorating the *Shoah*, so from toddler ages Israelis learn of the holiday and its meaning. The subject is discussed in formal and informal educational frameworks throughout the year.

Shoah is often taught in a variety of disciplines in schools, including in classes on literature, history, music, theology, drama, computers, foreign languages, art, philosophy, psychology, sociology and others.

Numerous high school students engage in *Shoah*-related projects throughout the school year. Such projects are not limited to a few days prior to *Shoah* Remembrance Day observed each year in the country shortly after the Passover Holiday. Pages of Testimony are collected from old age homes and there are art exhibitions on *Shoah* themes.

Courses on various aspects of the *Shoah* have been taught in all major Israeli universities by world-renowned scholars. At the Institute for Contemporary Jewry at the Hebrew University of Jerusalem many graduate students have concentrated in *Shoah* studies.

Shoah memorials and professional teacher organizations have developed continuing education courses for Israeli teachers on *Shoah* issues. A number of organizations annually offer teacher training seminars throughout Israel, such as Yad Vashem, Ghetto Fighters House[7], Massuah[8], Moreshet, Beit Theresienstadt[9] and others.

In recent years many of these institutions have worked together to organize teacher training seminars of fifty-six or 112 hours in various locations, especially in the nations outlying areas.

Holocaust Martyrs' and Heroes' Remembrance Day (*Yom Hashoah*) is a national day of commemoration in Israel. The six million Jews murdered in the *Shoah* are remembered and mourned. It is a solemn day that begins at sunset and ends the following evening. Places of entertainment (e.g., theaters, dance halls, restaurants and cafes) are closed and memorial ceremonies are held throughout the country. National media coverage of the many special memorial events highlight this day.

The primary ceremonies, in the evening and the following morning, take place at Yad Vashem. Perhaps the most dramatic moment occurs when six torches, representing the six million murdered Jews who were killed by Nazi Germany and their collaborators, are lit.

The following morning the ceremony at Yad Vashem begins with the sounding of a siren for two minutes throughout the entire country. For the duration of the sounding, work is halted, people in the streets stop walking, cars pull off to the side of the road and everybody stands at silent attention in reverence to the victims. Afterward, the focus of the ceremony at Yad Vashem. The martyred dead are remembered not as abstract, anonymous numbers, but as individual human beings with personal identities.

Other sites of remembrance in Israel, such as the Ghetto Fighters' Kibbutz (*Beit Lochamei Haghetat*), Massuah at Kibbutz Tel Yitzchak and Kibbutz Yad Mordechai (named in honor of Mordechai Anilewicz, a leader of the Warsaw Ghetto Uprising), also organize memorial ceremonies, as do all schools and universities, military bases, municipalities and even many places of work. Survivors, who are now passing the torch of memory to future generations, are invited to tell their personal stories in schools on *Yom Hashoah*.

Visits of school children to *Shoah* memorials and museums, such as Yad Vashem; the Ghetto Fighters House at Kibbutz Lochamei Haghetat in the northern part of the country; and Massuah at Kibbutz Tel Yitzchak are organized on a daily basis.

According to the data collected by the International School for Holocaust Studies at Yad Vashem, more than 100,000 Israeli high school students visit Yad Vashem every year. In recent years thousands of Arab and Jewish students who study in the framework of vocational schools supported by the Israeli Ministry of Welfare and Labor have visited the International School for Holocaust Studies at Yad Vashem.

According to the statistics compiled by the Ghetto Fighters House, their museum has been visited annually by some 10,000 drop-in visitors and over 75,000 individuals participate in the Museum's educational programming. Students from both the Jewish and Arab sectors visit the Center for Humanistic Education located at the Ghetto Fighters House. Additional smaller centers, such as Beit Terezin, Moreshet, Nir Galim, Ot Vaed, Shem Olam, Ginzach Kiddush Hashem, Yad Lezavava and numerous others also work with thousands of students every year.

For approximately 20 years Israeli students have been traveling on study tours to Poland, primarily to bear witness at Nazi extermination camps, such as Majdanek, Auschwitz-Birkenau and Treblinka. It is estimated that 24,000 Israeli high school students participate in study trips to Poland every year (approximately 20% Israeli Jewish high school students).

Over the last five years, a number of new textbooks on the *Shoah* for Israeli high school students have been published. The context of teaching the *Shoah* in Israel, the national home of the Jewish people in which the majority of survivors chose to settle after the Second World War is very different than teaching about this human chronicle in any other country.

Clearly, the social and historical context of Israeli society has a profound ongoing influence on *Shoah* education and remembrance. Further, and perhaps more importantly, it has become a major element of Israelis' national and Jewish identity.

Unfortunately, survivors, many of whom were pioneers in building the State of Israel and soldiers in defending its borders, are now passing away. Many educators in Israel struggle with the challenge of how to remember without survivors among us.

C. LOCATION AND RESTITUTION OF HOLOCAUST (*Shoah*) VICTIMS ASSETS [10]

Since the end of the 19th century, and especially since the end of the First World War in 1917, Jews from Central and Eastern Europe (as well as from America and Western Europe) purchased land, houses and apartments in the Land of Israel (from 1918 until 1948 under the British Mandate), deposited money in banks in the Land of Israel and purchased securities for investment.

The motives for investing in varied: There were those who acted out of ideological-Zionist motivation, being satisfied with some financial profit, where the satisfaction of doing a Zionist deed was compensation for the lower return than the investors could have achieved had they invested their capital in their own countries. There were those who wanted to invest with the intention of providing for their future immigration to the Land, and there were those who acted out of expectations of reaping real financial profits. Some of the financial transfers were connected to the need to prove to the British Mandate ownership of a certain amount of capital. This was one of the conditions for granting an immigration visa to the Land.. In the 1930s, many of the private capital investments in the Land (as in Switzerland, Western Europe, the US and Canada) were made out of the desire to protect Jewish capital and property from the danger posed to it after the Nazis rose to power.

Upon the outbreak of the Second World War in the summer of 1939, the British Mandatory government published the "Trading with the Enemy Ordinance". The ordinance was similar to one that had been legislated during the First World War. It was intended, among other things, to prevent Germany and its allies from seizing the capital and property - located in the Land of Israel - of its citizens and of the citizens of the countries they had conquered, such as Poland. It was also intended to use this property in the future against reparations Germany owed for the war it initiated and damages it caused to the Allies. The ordinance, which was valid until the end of the Mandate (and has not been cancelled to this day), made it obligatory to hand over to the ownership of "The Custodian of Enemy Property" - a government position created under the ordinance - all assets in Palestine that belonged to citizens of Germany who lived in Germany, as well as all assets in Palestine belonging to citizens of the Axis powers and citizens of the countries conquered by Germany. For the purposes of the ordinance, the Jews of Germany and its satellite states as well as the Jews of the countries conquered by Germany were defined as "enemies" and their real estate, money, securities and other assets were transferred to the ownership of the Custodian of Enemy Property, and essentially became the property of the Mandatory government.

In accordance with the ordinance, the banks in the Land transferred the deposits of the "enemies" to the Custodian of Enemy Property and indicated this in the accounts of the depositors. That same action was also taken in regard to the real estate assets of the "enemies" that were registered in the Land Registry Offices under the Custodian of Enemy Property.

As previously stated, most of the Jewish assets seized by the Custodian of Enemy Property belonged to Jews who resided permanently in Europe but whose assets were in Palestine. Some of the property transferred belonged to owners who had resided

permanently in Palestine but who, a short time before the war, traveled for a short stay in one of the "enemy" countries and were forced to stay there during the war.

It subsequently became clear that many of the owners of property in Palestine who lived in Germany or its allied countries or countries conquered by them perished in the *Shoah* with their relatives. Many Jewish assets remained in the possession of the Custodian of Enemy Property because there were no claimants. It is difficult to determine for certain the scope and exact composition of the assets of the Jews that were transferred to the Custodian of Enemy Property. From existing data, it has been determined that most of the property was in real estate. It included hundreds of agricultural fields, cultivated and uncultivated, urban plots and houses. A smaller, though considerable, portion of the property was in financial deposits, securities, etc.

For various reasons not all the property owned by "enemy" Jews (in real estate or in moneys) was actually transferred to the possession of the Custodian of Enemy Property. Accounts of Jews from European countries, which were not seized by the Custodian of Enemy Property, were still managed in local banks. This was also true in relation to real estate. In particular, private parties that held assets did not transfer them to the British Custodian or the Administrator General, such as representatives of Polish Jews, who held lots and houses in the Land for the owners.

Towards the end of the Mandate, the British administration had a clear interest in capitalizing as much real estate as possible in order to transfer the proceeds to England, as was done in relation to money. And in fact, on the eve of the end of the Mandate, almost all the money of the Custodian were transferred to London, with England's intention to use the cash for reparations according to the agreement signed between the powers in Paris in 1946. When the State of Israel was established in 1948, the young government of Israel protested against the transfer of the British Custodian's assets to England, and some of the money was returned as part of the agreement between Israel and England signed in March 1950.

The money that was returned was transferred to the Israeli Custodian of Enemy Property which took the place of the British Custodian of Enemy Property. This was a function that operated as a department within the Assets Department of the Ministry of Finance (as opposed to the Administrator General, which operates within the Ministry of Justice). Later on, in 1960, the Assets Department was unified with The Israel Land Administration, which was established the same year. The function of the Custodian of Enemy Property was never canceled. It is held currently by the Accountant General of the Ministry of Finance.

Over the years, the Israeli Custodian of Enemy Property continued to hold real estate and moneys, the vast majority of which belonged to *Shoah* victims. The Custodian released such property, at nominal value, to new immigrants who came from Europe upon establishment of the State and in the first few years of its existence, and who proved their rights to it as owners or heirs of the owners. Nonetheless, a large amount of property in real estate and money that originally belonged to the victims remained in his possession.

At the end of the 1960s, the government of Israel decided to transfer the management of the property held by the Custodian of Enemy Property to the

Administrator General (without canceling the function of the Custodian and without canceling the ordinance), and to apply all the provisions of the Administrator General Ordinance of 1944 to this property. The Administrator General's office was established, under the above mentioned ordinance in 1944 as the Administrator of all property whose owners were not known. Upon establishment of the State, the Custodian's office was enumerated as one of the branches of the Ministry of Justice. Since the end of the 1960s, the handling of property which came from the Custodian of Enemy Property was combined with the other property over which the Administrator General had been appointed, with no differences. This arrangement was given legal validity in the Administrator General Law-5738 (1978).

This all brought about the welcome initiative of Member of Knesset Colette Avital at the beginning of the year 2000. A Parliamentary Inquiry Committee on the Location and Restitution of Assets of Holocaust (*Shoah*) victims located in Israel was created on February 15, 2000, as the Knesset plenum unanimously approved the establishment of the inquiry committee.

In the first half of 2003, upon the swearing in of the 16th Knesset and the appointment of the new government, the Justice Minister of the time, the late Yosef Lapid, acted to establish an entity that would put into effect the findings of the parliamentary inquiry committee lead by MK Collete Avital. The idea was to establish a government corporation that would coordinate all the assets of victims - of any kind – that are located in the possession of various entities in Israel, and would act to return them at real values to the heirs. The assets whose legal owners would not be found would be transferred by the company to the possession of *Shoah* survivors and for the purpose of Holocaust commemoration.

In order to establish the company, there was need for legislation of a special law by the government.

The Assets Law and the establishment of the Company

The new law ordered the establishment of a company whose role would be the location and restitution of victims' assets located in Israel, as well as locating the heirs of the victims to whom the assets belonged. Assets belonging to victims, whose heirs are not found, would be used for the purposes of assisting needy survivors living today in Israel, and in second preference to education and commemoration. The law states that the company is funded for a period of 15 years, during which it must complete its missions.

The law instructs that assets must be restituted at their real value and that the company is the only institution that has the power to demand the real value of the assets from the asset holders. The law instructed that an Interest Revaluation Committee shall construct a revaluation formula that all asset holders shall abide. This unique formula enables the heirs to receive the assets at their real value as it is at the day of restitution.

The company was empowered to locate and coordinate all the assets **located in Israel** - where there are grounds to assume that their owners perished in the *Shoah* - while using the powers of investigation and examination given to it under the Assets Law, as well as to initiate actions to locate the legal heirs to these assets.

In addition, the company was empowered to make use of all the assets for which an heir is not found by the end of the period determined in the Assets Law, for the purpose of assisting survivors in need, as well as for documentation, education, providing information and commemoration of the *Shoah* and those who perished in it.

D. HOLOCAUST (SHOAH) ART AND JUDAICA[\[12\]](#)

From the time it came to power in 1933 through the end of World War II in 1945, the Nazi regime systematically looted works of art and other cultural property in Europe on a massive and unprecedented scale. Hundreds of thousands of such objects were unlawfully and often forcibly taken from their rightful owners, including *Shoah* victims, public and private museums and galleries, and religious, educational, and other institutions.

After WWII, the Jewish Restitution Successor Organization (JRSO) and the Jewish Cultural Reconstruction (JCR) were created to represent Jewish constituent interests worldwide and to distribute heirless and unclaimed property. Prior to the Israel Museum's incorporation in May 1965, its predecessor institution -- the Bezalel National Museum -- received from these organizations about 250 paintings, 250 works on paper and 700 objects of Judaica which are now under the Museum's custodianship. While most of the fine art material is assumed to have come from private owners, much of it, especially objects of Jewish ceremonial use, came from institutions and synagogues that did not survive the war. Items were photographed and registered, and their JRSO history is identified clearly at all times for exhibition and publication purposes. While most items are not significant art historically, those that historical or art historical importance have been displayed regularly in the Museum's galleries, and some have also exhibited and published worldwide, again always identified with their JRSO heritage, in custody of the Israel Museum, Jerusalem.

Over time, approximately twenty works from these holdings have been returned to rightful owners or their heirs, and the Museum continues to pursue inquiries and engage actively in restitution efforts with regard to this material. Additionally, in the past decade since the 1998 Washington Conference, the Museum has become increasingly active in the field of World War II restitution, being among the first, in 2000, to host a conference on the broad subject of art and artifacts lost during the war, and curators in relevant departments continue to research their holdings with regard to World War II provenance.

In 2007, the Museum launched a website entitled *World War II Provenance Research Online*, comprising a catalogue of all of its JRSO and JCR-origin holdings, including images of all items and all available detailed information.[\[13\]](#) The site also includes a link to the website of the Company for the Location and Restitution of Holocaust Victims Assets, which acts on behalf of the State of Israel with regard to the broader subject of asset restitution.

In 2008, the Museum also presented two landmark exhibitions, ***Orphaned Art:***

Looted Art from the Holocaust in the Israel Museum, Jerusalem and Looking for Owners: French Policy for Provenance Research, Restitution and Custody of Art Stolen in France during World War II, with the objective of explicating the complex history of art lost in World War II, based on the wartime experience in France, which suffered an unparalleled level of cultural looting during the war, and Israel's own experience as a custodian of material lost during the war. Both exhibitions were accompanied by fully illustrated catalogues, and both benefited from an unprecedented level of media attention worldwide. Following its showing in Jerusalem, ***Looking for Owners*** was also exhibited at the Museum of Jewish Art and History in Paris, after which the restitution of one of the works on display was carried out with the heirs to its rightful pre-war owner.

On May 19-20, 2008, while both exhibitions were on view in Jerusalem, the Museum co-hosted with Hebrew University of Jerusalem an international conference with the participation of a roster of international experts, which called for a pro-active approach to the subject of restitution and the opening of closed archives to facilitate provenance research.

Finally, and separately from its research with regard to its JRSO and JCR legacy, the Museum has completed a number of other important restitutions from its collections during the last ten years, among them: a Pissarro painting from the collection of Max Silberberg, Breslau; a Degas drawing from the collection of Jacques Goudstikker, Amsterdam; and three Roman gold glass bases from the Dzilaynska Collection, Goluchow Castle, Poland. In each instance, it has been the Museum's goal to provide an example for the appropriate resolution of claims to recover cultural property lost during World War II. The Museum will continue to take an active and leading role in this matter, recognizing at all times both its sensitivity and its complexity. From its special perspective in Jerusalem in the State of Israel the Museum's engagement with this subject could not be more appropriate or more important.

SUMMARY

The model for dealing with the aftermath of the *Shoah*, as summarized in this report, considers the major issues. This model, or components, may well serve other States because it includes extensive aid for needy *Shoah* survivors from the Israeli government, as well as from Germany, the Claims Conference, and the Foundation for the Benefit of Holocaust Victims in Israel. Also worthy of replication is Israel's exemplary activities on *Shoah* Education, Remembrance and Research and its exceptional law on Location and Restitution of *Shoah* Victims Assets that deals with private, individual property. The only other nation with anything comparable is Germany, which has a comprehensive law that deals with restitution of all types of Jewish property with special attention and activity on *Shoah* Art and Judaica.

The law on Location and Restitution of *Shoah* Victims Assets is the only law of its type, dealing with private, individual property. There is only one other comprehensive law in existence, dealing with restitution of all types of Jewish property. This is the German law.

Vast amounts of work remains to be done. Israel respectfully but urgently seeks the participation other States in seeking completion of the issues of restitution of Jewish property more than 60 years after the end of WWII. Israel has many proven mechanisms and procedures to get the work done and a sincere willingness to help other States in the great tasks ahead..

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