Reclaiming the Family Fortune

Arab countries from which our families were expelled owe us billions. Can we get them to pay?

BY DAVE GORDON

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EGYPT
$16 BILLION

IRAQ
$20 BILLION

ALGERIA
$16 BILLION

LEBANON
$1 BILLION

SYRIA
$9 BILLION

MOROCCO
$23 BILLION
Reclaiming the Family FORTUNE

Arab countries from which our families were expelled owe us billions.
CAN WE GET THEM TO PAY?

DAVE GORDON

The two most hotly contested aspects of a final status peace deal between Palestinians and Israel are widely predicted to be, sovereignty over Jerusalem and the reparations and resettlement of refugees. Interestingly enough, the American Sephardic community may soon find itself smack in the middle of the latter.

While the news is often filled with talk of the Arab Palestinian refugee problem, information about the Jewish exiles from Arab lands—which has affected many more people—is scant in the mainstream media. But according to most estimates, assets worth tens of billions of dollars—dwarfing Palestinian claims—were left behind by Jews who were forced to flee Arab countries over the past 70 to 80 years.

The History of Persecution

The Jews’ long sojourn in Muslim lands included periods of prosperity, marked by Jewish advances in medicine, business, culture, philosophy and religious study. From time to time, however, the Jews were subjected to punishing taxes, forced into ghetto-like quarters and relegated to the lower levels of socio-economic strata. Between the mid-nineteenth century and World War I, Iraqi Jews prospered economically. But from 1929 onward, Jews were widely persecuted on the premise of their supposed “Zionist beliefs” and activities. A pro-Nazi government, influenced heavily by the infamous Grand Mufti of Jerusalem, came to power in Iraq in the 30s, and thus Jews were stripped of political and economic power.

Rioting, murders and persecution ensued sporadically from the 20s to the late 1960s. In 1948, Zionism became a capital crime, and martial law was imposed on Iraq’s 137,000 Jews. Financial assets and bank accounts were frozen, Jewish property was expropriated or bombed; trading permits were cancelled; telephones were disconnected. Jews were placed under house arrest for long periods or restricted to the cities.

As a teenager, Rami* recalls hopping from rooftop to rooftop to evade capture by the Iraqi authorities. Her father was “guilty” of being a Zionist, and she feared her family would be at risk. Luckily, her family made their way to Italy, where they were able to stay until they acquired visas to the United States.

From 1949 to 1951, 104,000 Jews were evacuated to Israel from Iraq in Operation “Ezra and Nehemiah”; another 20,000 were smuggled out through Iran.

In 1944, Syria prohibited Jewish immigration to Palestine, and restricted the teaching of Hebrew in Jewish schools. Attacks against Jews escalated, and boycotts were called against their businesses. In 1947, Arab mobs in Aleppo devastated the 2,500-year-old Jewish community. Scores of Jews were killed and more than 200 homes, shops and synagogues were destroyed.

Sarah, only six or seven at the time, recalls how her father’s store in Aleppo was looted and burned and how her family hastily fled to Lebanon where they lived for several years before moving to New York. The trauma still fresh in her psyche decades later, she now prefers not to use the term “Syrian” when referring to her national origin.

After the creation of the state of Israel, persecution intensified exponentially. Freedom of movement was severely restricted. Jews who attempted to flee faced either the death penalty or imprisonment. Jews were not allowed to work for the government or banks, could not acquire telephones or driver’s licenses, were under constant threat, and were barred from buying property. Jewish bank accounts were frozen. An airport road was paved over the Jewish cemetery in Damascus; Jewish schools were closed and handed over to Muslims. Life became utterly intolerable. Those who remained were effectively held hostage by the government, until they were granted permission to leave—forced to abandon all possessions.

Rami* remembers all too vividly the bitter cold mountains of Afghanistan, where he and his seven brothers and sisters trekked for days, as they escaped Iran to safety, fleeing for their lives. They bribed their way through, losing their possessions, money and what little food they had. Over the course of the journey, Rami lost three siblings to starvation and the elements. Though they made their way to Israel eventually, it wasn’t without painful sacrifices.

Pinchas* was one of the luckier ones. Thirty five years ago he and his wife fled Libya, by hopscotching through Morocco, and then to Spain, after which they were able to come to America. He is now a
real estate salesman, with six children and two grandchildren. Pinhas and his family dropped everything they owned only to flee with a single suitcase apiece - most of which was filled with food to sustain them for what they thought would be a long journey ahead. Rina, Sarah, Rami and Pinhas - to this day - still talk about these experiences painfully, and they admit that a certain part of them fears what would happen to them if they made their identities too well known. The scars of persecution are still very fresh.

In Egypt, too, the message was just as clear: It would be better for Jews to abandon their properties and leave Egypt as soon as possible. In the 1950s, about 50,000 Egyptian Jews fled Egypt. Persecution of the Jews continued, so that from a community of 75,000 only 200 are left today. Some Jews literally fled on foot, while Israel rescued others in airlifts like “Operation Magic Carpet,” which brought 45,000 Yemeni Jews to Israel in 1949.

Playing Politics

Israel, a newborn state at the time, accepted these refugees and absorbed them into Israeli society. And while today there is no organized group of Jews who seek a “right of return” to Arab lands, incommensurably, through Arab pressure, the UN carved out a special exception for Palestinian refugees to include descendants in their bid to “return” to Israel. While no UN organization has ever helped Jewish refugees, Arab refugees are supported mainly by the United Nations Relief and Works Agency for Palestinian Refugees in the Middle East (UNRWA).

Until the mid-1970s, as a result of Arab propaganda, world public opinion generally associated the phrase “rights of refugees,” with Palestinian Arab refugees who had left the territory of the State of Israel in 1948. An egregious bias, considering that aside from official legislation which denied these Jews their human and civil rights, expropriated their property and removed them from civil service and other forms of employment, the Jews were the victims of arrests, executions, riots and physical attacks. There is also clear evidence that the Arab states engaged in a pattern of targeted policies that were part of a recognized plan to lead to the Jews’ expulsion.

In recent months, independent Jewish groups have begun a concerted effort on behalf of these “forgotten exiles,” who were ignored by the global community after being absorbed by other countries - mostly Israel. To address the compensation issue, groups such as Jimena (Jews Indigenous to the Middle East and Africa), World Organization of Jews from Arab Countries, The American Sephardi Federation, Historical Society of Jews from Egypt, Justice for Jews from Arab Countries, among twenty others, are all trying to document the losses by Jews who fled Arab lands over the past eight decades.

A year ago, the Israeli government decided to register the property claims of Jews from Arab countries. The purpose of the campaign was to create a countervalue to expected claims by Palestinians, if and when negotiations on a final settlement are resumed.

The Israeli Ministry of Justice, which is handling registration of claims, promised to conduct a publicity campaign to encourage the submitting of forms. Except for a few scattered announcements and press releases, however, no real progress has been made. The Israeli Ministry of Foreign Affairs has objected to Israel’s claim registration campaigns in the past, and its position has not changed since then. The main reason appears to be the concern of some government officials that the registration campaign will arouse Palestinians to increase their own claims.

Among the many possessions that were lost, are religious artifacts, including hundreds of Torahs. In the last month, former Sephardic Chief Rabbi, Hacham Ovadia Yosef has written a letter to the Foreign Minister of Egypt requesting that Egypt return Torah scrolls and Jewish court records it stole from Egyptian Jewish. The urgency of the need to rescue the Torah scrolls was also highlighted by the looting of many Jewish artifacts belonging to the Iraqi Jewish community from Iraqi museums following the ousting of Saddam Hussein.

By the Numbers

During the Israeli War of Independence, an estimated 600,000 Arabs fled territory that became modern Israel1. Around this time, in 1949, the Arab League passed two resolutions, one of which ordered the Arab governments to “facilitate” the expulsion of the nearly one million Jews who lived in Arab countries and confiscate all their assets. As a result, 951,000 Jews were expelled from or fled Algeria, Egypt, Iraq, Lebanon, Libya, Morocco, Syria, Tunisia, and Yemen.

Israel received these penniless Jewish refugees and made them citizens. Palestinians Arab refugees, however, were barred from being citizens in other Arab lands, thus preventing their rehabilitation. The Palestinian Arab refugees have since remained in limbo in refugee camps and have been used as pawns by Arab governments since 1948.

After the creation of Israel, Arab countries began persecuting Jews as a general policy through harassment, denial of equal opportunity and citizenship, and eventually confiscated their property and expelled them.

The rights of Jews from Arab countries and their collective and personal claims against these countries constitute, undoubtedly, a political, moral and economic counter-claim to the demands of the Palestinian Arab refugees. The communal and private property abandoned in Arab countries is many times larger, since those extensive material and spiritual assets belonged to flourishing, mostly urban communities that were hundreds of years old.

Personal Effects

Desire Sakkal, President and founder of the Historical Society of Jews from Egypt, has for the past ten years, been active in seeking reparations for Jewish expropriated land and possessions. Born in 1949, he fled Egypt in 1962. “We came out with ten suitcases, and ended up with two,” he says, referring to lost cases that had to be stored in a warehouse in France - the stepping stone to the US as visas were being processed. But suitcases seemed to be the least of his family’s losses. His father and uncle owned a successful button factory, which, according to Sakkal, cornered a quarter of Egypt’s market. That, and much more, was left behind for good.

“So far I would say there’s been close to zero progress with this [reparations]. The only progress is that the Egyptian government started to talk to us,” says Sakkal, adding that the Foreign Minister of Egypt spoke to him directly about the issue. In the interim, he and his organization have written

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1 It is worthy to note that those Arabs who stayed were granted full Israeli citizenship, including the right to vote in municipal and national elections.
Progress on Recognition

The campaign for justice for these refugees — also known as Mizrahi Jews — has strong support in Congress. Last month, Sen. Rick Santorum, R-PA., introduced a resolution that would instruct US envos to raise the Jewish refugee issue every time the Palestinian refugee issue is raised as "recognition of the fact that Jewish property, schools and community property was lost as a result of the Arab-Israeli conflict" that must be part of a comprehensive peace agreement in the Middle East. The resolution states that a greater number of Jews were displaced than Palestinians as a result of Israel's establishment and wars against the Jewish state.

The eight-page resolution notes the few instances during which the international community acknowledged the plight of Jewish refugees, including several Senate resolutions adopted in the late 1950s that expressed concern with Egypt's persecution of its Jewish population; an October 1977 memorandum of understanding between US president Jimmy Carter and Israeli foreign minister Moshe Dayan, and a July 2000 interview in which president Bill Clinton called for the establishment of an international fund to compensate both Palestinians and "Israelis who were made refugees by the war." As well, the 1991 Madrid conference and the Quartet-backed road map states, "do not make any distinction between Palestinian and Jewish refugees."

In October 2004, a "Sense of the Congress" resolution, sponsored by Rep. Ileana Ros-Lehtinen (R-FL.), called on the international community to recognize the plight of Jewish refugees, and it urged the UN Relief and Works Agency (UNRWA) to resettle Palestinian refugees rather than prolong their suffering in decades-old refugee camps. The bill, which has 20 co-sponsors, was referred to the House International Relations Committee.

Last year, House Resolution 311 called on the international community to recognize Jewish refugees who "fled Arab countries because they faced a campaign of ethnic cleansing and were forced to leave behind land, private homes, personal effects, businesses, community assets and thousands of years of their Jewish heritage and history." The World Organization of Jews from Arab Countries estimates the value of the confiscated property at more than $100 billion.

Somewhat surprisingly, things are starting to take shape, albeit slowly, within two Arab countries. The US occupation of Iraq led to an interim constitution in March that calls for the Iraqi government to make restitution to those who lost citizenship and property. Libya's Head of State Quaddafi, who wants to restore diplomatic relations with the United States, sent emissaries to Vienna in January to discuss with Israeli officials the possibility of visits to Libya by Jews of Libyan descent, according to the Israeli newspaper Yediot Aharonoi. Al-Siyasa, a Kuwaiti daily, reported that Quaddafi is also considering compensation for Libyan Jews whose properties were confiscated.

Although most expatriate Jews from Arab countries are unlikely to ever see any material compensation, registering individual claims is still regarded by many experts as a worthy endeavor, if only to document the losses suffered through the first person accounts of the aging generations who fled. Furthermore, such documentation could prove extremely valuable in offsetting Palestinian claims in future peace negotiations.

Claim forms for those who wish to register losses for assets their families left behind in Arab countries as a result of escaping persecution or forced exile, are available on www.wojac.com in English, Hebrew, French, Spanish, and Arabic. Information is also available from WOJAC, 1125 Park Ave., New York, 10128.

Change in the Jewish population in Arab Countries since 1948

<table>
<thead>
<tr>
<th>Country</th>
<th>1948 Population</th>
<th>2004 Population</th>
<th>Refugees absorbed by Israel</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>140,000</td>
<td>0</td>
<td>110,000</td>
<td>1960</td>
</tr>
<tr>
<td>Egypt</td>
<td>100,000</td>
<td>300 or less</td>
<td>90,000</td>
<td>1948-56</td>
</tr>
<tr>
<td>Iraq</td>
<td>150,000</td>
<td>11</td>
<td>125,000</td>
<td>1947-51</td>
</tr>
<tr>
<td>Lebanon</td>
<td>6,000</td>
<td>0</td>
<td>1,000</td>
<td>1948</td>
</tr>
<tr>
<td>Libya</td>
<td>35,000</td>
<td>0</td>
<td>33,000</td>
<td>1950</td>
</tr>
<tr>
<td>Morocco</td>
<td>300,000</td>
<td>4,000 or less</td>
<td>250,000</td>
<td>1949</td>
</tr>
<tr>
<td>Syria</td>
<td>40,000</td>
<td>100</td>
<td>35,000</td>
<td>1948</td>
</tr>
<tr>
<td>Tunisia</td>
<td>100,000</td>
<td>500 or less</td>
<td>75,000</td>
<td>1950</td>
</tr>
<tr>
<td>Yemen &amp; Aden</td>
<td>80,000</td>
<td>500 or less</td>
<td>75,000</td>
<td>1948</td>
</tr>
<tr>
<td>Total</td>
<td>951,000</td>
<td>5,400 or less</td>
<td>794,000</td>
<td></td>
</tr>
</tbody>
</table>

There are no Jews in Jordan, Saudi Arabia, Sudan or the emirates or sheikdoms of the Arabian Peninsula. Source: World Organization of Jews from Arab Countries (WOJAC)