



## Jehovah's Witness Holocaust-Era

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A not-for-profit corporation

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December 23, 2003

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LEGAL SERVICES

Mr. Judah Gribetz, Special Master  
Holocaust Victim Assets Litigation  
P.O. Box 8300  
San Francisco, CA 94128-8300

Dear Mr. Gribetz:

Jehovah's Witness Holocaust-Era Survivors Fund (JWHESF) is pleased to submit the attached proposal for the allocation of residue HVAP funds for the Court's Humanitarian and Social Programs (HSP). JWHESF has been involved in distributing HSP aid in Eastern Europe since Spring 2002, and we are well aware of how much this assistance has meant to destitute survivors. Thus, we were glad to learn of the Special Master's recommendation to add residue HVAP monies to HSP as they become available.

You will notice that our proposal specifies no amount or percentage for Jehovah's Witness beneficiaries. We much prefer to leave that determination in the hands of the Court. As you have a far greater awareness than we do of the situation among all members of the Looted Assets Class, we would be grateful if you would recommend a fair and equitable amount of additional aid for Witness survivors. JWHESF operates a cost-effective program, and the Court may rest assured that any additional funds will be used to obtain maximum assistance for the beneficiaries.

Please accept our appreciation and best wishes as you deliberate on many worthy proposals.

Sincerely,

James N. Pellechia  
Vice President

JNP/ep  
Attachment

**Jehovah's Witness Holocaust-Era Survivors Fund, Inc.**  
**Proposal for Allocation of HVAP Residual Funds**  
**December 2003**

Since April 2002, under the auspices of the Holocaust Victims Assets Program (HVAP), Jehovah's Witness Holocaust-Era Survivors Fund, Inc. (JWHESF), has been the recipient of an aid fund from the Humanitarian and Social Programmes (HSP). Through HSP, meaningful assistance has been provided to approximately 1,900 needy Victim-and-Target-Group (VTG) members in the Jehovah's Witness community in seven Central and Eastern European countries (CEE), namely, Croatia, Hungary, Moldova, Poland, Romania, Russia, and Ukraine.

Types of HSP assistance include: Food, clothing, winter assistance, home care, medical/dental, and emergency cash grants. JWHESF's distribution arrangement is structured so that each beneficiary receives assistance according to his or her individual needs.

**PROPOSAL SUMMARY**

The proposal is based largely on the experience JWHESF has gained by means of its HSP activities. JWHESF would like to continue using its current distribution arrangement, which has achieved good results. Key points of the proposal are summarized below. Relevant statistics and data are contained in Annex I. A recent financial statement is attached as Annex II.

**Beneficiary numbers.** While JWHESF has already located and identified the vast majority of eligible HSP beneficiaries within the Witness community in Eastern Europe, it may be possible to expand the program to include the few needy beneficiaries to be found in Witness communities of South America. This proposal also takes into consideration the possibility that additional beneficiaries may be found in countries already operating. However, unless the eligibility criteria change or there are drastic economic downturns in countries of operation, JWHESF believes that the number of beneficiaries will remain fairly constant.

**Administrative expenses.** The volunteer labor of JWHESF's administrators and staff, as well as the in-kind donations of labor and office costs by the community of Jehovah's Witnesses at large have kept operating expenses low and have meant a greater amount of direct aid for the beneficiaries. JWHESF administrative expenses for an extended HSP operation will amount to 1.5 percent or less. Any residue from the operating budget will be used to obtain direct aid for beneficiaries.

**Court supervision.** JWHESF has enjoyed a good working relationship with the International Organization for Migration (IOM), which has overseen JWHESF's HSP operation to date. If the Court sees fit to grant a portion of the unclaimed residue funds for Jehovah's Witness beneficiaries, JWHESF is willing to continue the present working arrangement with IOM. Alternatively, JWHESF would willingly work under the direct supervision of the Court to disburse these funds.

**Proportion of funds for Jehovah's Witness beneficiaries.** JWHESF requests that the Special Master determine the amount or percentage of residue funds that will be allotted to eligible Jehovah's Witness beneficiaries through JWHESF. The Special Master is aware of the bigger, more complex picture: the large number of needy members of all victim groups, the viable proposals of many victims-assistance organizations, the additional sources of aid available to some groups through other Holocaust-related funds, and the goal of program sustainability. Thus, the Special Master is in the best position to determine a fair and equitable allocation for Jehovah's Witness beneficiaries.

In keeping with the Court's method of equal HVAP slave-labor payments, JWHESF recommends equal aid distribution among eligible beneficiaries, regardless of country of residence. This recommendation is made in the awareness that cost-of-living and per capita income levels vary somewhat from country to country, as do the provisions of government social programs. Those areas with the lowest cost of living often have the least adequate social programs, whereas those regions with a higher cost of living tend to offer better social coverage.

JWHESF is honored to submit this proposal on behalf of Jehovah's Witness survivors who were among the millions of victims of the Nazi regime. The aging beneficiaries face mounting financial and health problems, and they appreciate the timely assistance.

**Jehovah's Witness Holocaust-Era Survivors Fund, Inc.  
 Proposal for Allocation of HVAP Residual Funds  
 December 2003**

**ANNEX I**

**1. NUMBER AND LOCATION OF VTG**

Estimated number of members from any VTG who now belong to the community of Jehovah's Witnesses:

COUNTRY	ESTIMATED VTG NUMBERS
<i>CEE/Asia</i>	
Belarus	less than 10
Bulgaria	less than 10
Croatia	50
Czech Republic	less than 10
Hungary	50
Moldova	225
Poland	150
Romania	290
Russia	60
Slovakia	50
Ukraine	1,400
<i>South America</i>	
Argentina	less than 10
Brazil	less than 10
Chile	less than 10
Uruguay	less than 10
Venezuela	less than 10

Source of data: Figures are based on JWHEsf's worldwide outreach effort to locate and assist potential claimants to the Holocaust Victims Assets Program (HVAP) and the German Forced Labour Compensation Programme (GFLCP). These are estimates of members of the Looted Assets Class (LAC) of the Victim and Target Groups (VTG), *without respect to income criteria*. Omitted from this list are countries where per capita income greatly exceeds minimum income levels specified for HSP beneficiaries.

**2. NUMBER AND LOCATION OF NEEDY VTG**

In accord with the stipulations of the Court, beneficiaries must fulfill all of the following criteria:

- a) Victim or target of Nazi persecution and was or was believed to be: Jewish, Jehovah's Witness, Roma, disabled, homosexual
- b) Born prior to May 9, 1945
- c) Income is less than \$4 per day (except for Poland, where limit is \$7.50 per day)
- d) Resides in a country where JWHEsf operates HSP

Estimated number of potential HSP beneficiaries within the Jehovah's Witness communities in Eurasia and South America:

<b>Eastern Europe/Central Asia</b>	
Belarus	less than 10
Bulgaria	less than 10
Croatia	less than 10
Hungary	15
Moldova	200
Poland	125
Romania	260
Russian Federation	35
Ukraine	1,350
<b>South America</b>	
Argentina	less than 10
Brazil	less than 10
Chile	less than 10
Uruguay	less than 10
Venezuela	less than 10
<b>Total Estimated Beneficiaries</b>	<b>2,065</b>

Source of data: Figures are based on lists of approved beneficiaries from the HSP projects presently operating. These individuals meet all four criteria as set out above. The figures reflect a small increase over the actual number of current beneficiaries to allow for the addition of newly located beneficiaries or newly eligible individuals due to a reduction in income.

IOM conducts regular monitoring visits to JWHEFSF field offices, has made personal visits to beneficiaries, has audited HSP records, and can confirm JWHEFSF's estimates.

### 3. ASSESSMENT OF SURVIVOR NEEDS

The figures below represent the types of assistance budgeted for the last 18 months of operation in seven HSP countries.

Country	Current JWHEFSF HSP Program Budget - Expense Categories by Percentage*					
	Food	Clothing	Winter Assistance	Home Care	Emergency Cash Grant	Medical/Dental
Croatia	10.0	-	8.3	40.0	-	41.7
Hungary	35.1	1.8	41.5	-	2.1	19.4
Moldova	16.5	3.0	44.1	4.6	6.8	25.0
Poland	5.0	4.0	53.8	5.3	<0.1	31.7
Romania	21.5	7.1	25.3	4.5	21.7	19.9
Russia	13.7	14.5	15.3	23.3	24.4	8.6
Ukraine	19.5	7.3	25.3	11.0	0.9	35.8

\*Percentages may not add up to 100% due to rounding.

The varying proportions indicate the current needs of survivors from country to country. Where the greater number of beneficiaries live in urban housing, their heating costs are lower and their food costs are higher. Rural populations may be able to maintain vegetable gardens. But they

may have medical needs and are without ready access to medical facilities. A higher cost of living may be offset by greater and more consistent coverage by social programs.

As the beneficiaries age, a shift may occur in their priority needs. For instance, home care may become increasingly necessary. JWHEFSF is prepared to accommodate the changing needs of the beneficiaries.

**Social safety nets.** The brochure *Dying for Change*, a report based on the World Bank project *Voices of the Poor*, states: "Poor people already pay a lot, both in fees and for the indirect costs of health care, including unofficial 'fees' (corruption), transport, medicines and loss of income. *Voices of the Poor* suggests that there are many cases where free services do not benefit the poor; for example, because of corruption which results in free medicines being sold, and doctors diverting patients to private practice." (*Dying for Change*, p. 25)

This is an accurate assessment of the situation of many elderly survivors in HSP countries. Healthcare reform is an ongoing process in transition countries, and current laws often do not reflect the actual situation. Community volunteers are available to help elderly Jehovah's Witnesses apply for the benefits to which they are entitled. However, in all countries of operation, the safety net still has large gaps.

The charts below depict the average life expectancy, average beneficiary age, poverty level, and quality of sanitation in proposed HSP target countries.

### LONGEVITY ESTIMATES: General Figures by Country

Eastern Europe/Central Asia	Healthy Life Expectancy*		% of Life Expectancy Lost+	
	Male	Female	Male	Female
Belarus	69.5	73.0	14.3	15.4
Bulgaria	71.5	73.9	11.0	12.8
Croatia	70.1	74.4	13.3	13.3
Hungary	70.4	74.4	13.8	13.9
Moldova	69.3	71.7	15.6	15.2
Poland	71.9	74.6	11.1	14.7
Romania	71.1	73.5	13.6	15.1
Russian Federation	68.5	72.7	12.6	14.4
Ukraine	68.8	72.2	14.9	15.6
<b>South America</b>				
Argentina	71.9	75.1	13.6	15.5
Brazil	69.4	73.0	20.2	15.2
Chile	73.3	75.5	12.0	14.7
Uruguay	72.3	76.8	13.7	13.7
Venezuela	71.6	75.0	19.3	15.0
USA (for comparison)	74.9	76.6	10.8	13.5
* WHO figures for 2000/2001 showing healthy life expectancy for persons now 60 years old. Healthy life expectancy (HALE) is based on life expectancy (LEX), but includes an adjustment for time spent in poor health. This indicator measures the equivalent number of years in full health that a newborn child can expect to live based on the current mortality rates and prevalence distribution of health states in the population.				
+ WHO figures for 2000/2001 reflecting percentage of life expectancy lost due to poor health.				

## SURVIVOR LONGEVITY ESTIMATES: JWHEsf Beneficiaries by Country and Gender

Country	% of Male Benefs	% of Female Benefs	Average Age of Male Benefs	Healthy Life Expectancy (population)	Average Age of Female Benefs	Healthy Life Expectancy (population)
Croatia	33	67	88.0	70.1	77.5	74.4
Hungary	20	80	81.0	70.4	77.3	74.4
Moldova	37	63	73.3	69.3	72.1	71.7
Poland	35	65	*	71.9	*	74.6
Romania	35	65	73.5	71.1	73.2	73.5
Russia	61	39	80.4	68.5	81.5	72.7
Ukraine	30	70	*	68.8	*	72.2
<b>Total Avg.</b>	32	68	74.0	70	73.3	73.4

\*Data not available.

## POVERTY LEVELS\*

Eastern Europe/Central Asia	% below national poverty line+	% below US\$1 a day (PPP)†	Rank in Gross Nat'l Income (PPP) ††	Per Capita Health Expenditure‡
Belarus	41.9	<2	83	430
Bulgaria	12.8	<2	89	198
Croatia	—	<2	75	638
Hungary	1.6	<2	59	846
Moldova	23.3	11.3	154	64
Poland	23.8	<2	73	578
Romania	29.6	2.8	101	190
Russian Federation	30.9	7.1	87	405
Ukraine	31.7	2.9	123	152
<b>South America</b>				
Argentina	25.5		63	658
Brazil	17.4	11.6	86	267
Chile	24.6	<2	76	336
Uruguay	—	<2	79	606
Venezuela	31.3	23	102	233
USA (for comparison)	-	-	3	4499

\* 2002 World Development Indicators by the World Bank's Development Research Group.  
 + Drawn from World Bank, USAID and similar sources.  
 † World Bank Report. International poverty line, adjusted for purchasing power parity.  
 †† 2003 World Development Indicators, Table 1.1, Size of the Economy.  
 ‡ WHO 2000 report. Figures in USD

## SANITATION LEVELS\*

Country	% of population with access to improved water source	% of population with access to sanitation
<b>Eastern Europe/Central Asia</b>		
Belarus	-	-
Bulgaria	85	99
Croatia	63	61
Hungary	-	94
Moldova	56	50
Poland	82	100
Romania	62	44
Russian Federation	-	-
Ukraine	55	49
<b>South America</b>		
Argentina	65	75
Brazil	72	67
Chile	85	-
Uruguay	89	61
Venezuela	79	58
USA (for comparison)	-	-
* Figures based on World Bank's World Development Indicators		

**Recommendation for distribution.** JWHEFSF requests additional funding to continue its HSP operation for 8-10 years, serving beneficiaries who are eligible under current criteria. Given the average age of beneficiaries as compared to the Healthy Life Expectancy of the general population, the death rate of current beneficiaries will likely accelerate in the next few years. However, a substantial percentage of JWHEFSF beneficiaries were born in the 1930s and 1940s and can be expected to live for another decade or more. At the same time, their Nazi-era experiences, as well as their subsequent life in poverty, have resulted in long-term health consequences. Thus, their health and nutritional needs will continue to grow.

If the Court alters the eligibility criteria or decides to allocate HSP benefits for the children of survivors, JWHEFSF could broaden or extend its program. Types of assistance could remain unchanged: Food, clothing, winter assistance, home care, medical/dental needs, and emergency cash grants. Aid would continue to be distributed according to the individual needs of the beneficiaries. The Special Master will determine the amount or percentage of residue funds that JWHEFSF will receive. JWHEFSF will in turn divide the funds equally among eligible beneficiaries and will distribute the funds according to the timetable stipulated by the Court.

**Background on distribution agency.** As stated above, JWHEFSF has been involved with the distribution of HSP funds since the beginning of the program in 2002. During the start-up and implementation of the program, JWHEFSF has been able to locate and assist many or all eligible beneficiaries within the Jehovah's Witness community in seven countries. Having assisted many of the beneficiaries to file claims for forced-labor compensation, JWHEFSF has a keen awareness of the beneficiaries' historical experiences, as well as their current difficulties.



**Administrative expenses.** The directors and the staff of JWHEsf work on a voluntary basis. A number of consultants also contribute their expertise free of charge. JWHEsf volunteer consultants include certified professionals and practitioners in the fields of geriatrics, medicine and healthcare, physical therapy, nutrition, juvenile education, spiritual counseling, psychology, construction, law, accounting, international banking, translation, NS-era history, and information technology.

JWHEsf estimates that administrative expenses will amount to 1.5% or less of the total budget. Expenses include costs for communication and postage, reimbursement of project-related consultant and coordinator expenses, office equipment, and monitoring and reporting.

Annex II is a copy of JWHEsf's most recent HSP report submitted to IOM.

**Supporting organizations.** JWHEsf owes much to the Watch Tower Bible and Tract Society of Pennsylvania and related branch offices and organizations for their willing support. Watch Tower has generously donated personnel, office and network space, and office equipment and has been instrumental in facilitating JWHEsf's outreach efforts to the worldwide community of Jehovah's Witnesses. Using its established relationship with financial institutions and government agencies, Watch Tower has also assisted JWHEsf to obtain favorable banking arrangements and official permission to distribute humanitarian aid in HSP countries.

**Conclusion.** The past two years have taught us much about the situation of former slave-laborers and other victims of the Nazi regime. Indeed, Nazi crimes have outlived the regime itself by decades, as survivors continue to struggle with the physical, emotional, and financial damage inflicted on them. Their descendants too have been made to bear a heavy load in caring for relatives whose experiences prematurely crippled, sickened, bereaved, or aged them. HSP, like other programs, can do little to lessen the deep trauma and profound loss. It can, however, offer real assistance and a measure of comfort to the survivors, assuring them that they have not been entirely abandoned to bear their burdens alone. JWHEsf reiterates its commitment to this worthy endeavor.

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