

Gaddafi Readies His Checkbook

LIBYAN STRONGMAN MUAMMAR Gaddafi has long insisted his country had nothing to do with the 1988 bombing of Pan Am Flight 103 over Lockerbie, Scotland, even after last year's conviction of a Libyan intelligence agent for involvement in the attack. But according to a letter obtained by TIME, Gaddafi will make a "substantial formal offer" to compensate families of the 270 victims within a month. The April 23 letter to families was written by New York City attorney James P. Kreindler, who has been in Paris negotiating with senior Libyans behind closed

Gaddafi may pay Lockerbie families

doors. Kreindler's missive does not predict how much money Gaddafi will put on the table. However, a number of estimates place the figure as high as \$3.5 billion.

There is a catch, and it's a big one. If Gaddafi pays compensation and also admits Libyan re-



sponsibility for the crime, he will expect in return a resumption of oil trade and other commerce currently prohibited by U.S. sanctions and, eventually, renewed diplomatic relations with Washington. But that may not be so easy, especially since a recent CIA report says Libya is aggressively seeking weapons of mass destruction, notably chemical arms and ballistic-missile delivery systems. "The President has made absolutely clear that these weapons will not be tolerated," a senior

Bush Administration official tells TIME. "That means, very simply, that removing sanctions from a country like Libya, which is trying to obtain them, is not going to happen, no matter how much money Gaddafi is prepared to offer."

—By Adam Zagorin

Currency Rates | Thursday, May 23

	Cross Rates					
	One \$	One €	100 ¥	One £	One SFranc	One DKrone
Britain	0.6885	0.6342	0.5502	—	0.4358	0.0853
Canada	1.5342	1.4139	1.228	2.2312	0.9725	0.1903
Denmark	8.0734	7.438	6.4521	11.7634	5.1166	—
Euro Zone	1.0854	—	0.8675	1.5815	0.6879	0.1344
Japan	124.40	115.14	—	181.50	79.23	15.48
Sweden	9.8905	9.1268	7.9202	14.3819	6.2728	1.2271
Switzerland	1.5762	1.4548	1.2625	2.292	—	0.1955
U.S.	—	0.9218	0.8906	1.4544	0.6338	0.124

Late local rates except Canada and U.S. at 3 P.M.
Interbank rates excluding commissions

Al cambio del 23.05.2002 (Herald Tribune)
\$ 3.500.000.000
pari a EURO 3.226.300.000,00
pari a Lire 6.246.968.790.100

La famiglia di ciascuna vittima
dovrebbe incassare poco piu' di
23 miliardi

Dal
Settimanale

USA:

"TIME"

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