

Clashes Continue as Hamas Leader Rejects Election

Efforts to resume peace talks with Israel would likely be frozen. In recent weeks, Israeli Prime Minister Ehud Olmert has said he is ready to talk peace with Abbas, which now seems very unlikely.

GAZA CITY — Gunmen attacked the convoy of the Palestinian foreign minister and raided a training base for an elite security forces unit Sunday, stepping up factional violence over a decision by Palestinian President Mahmoud Abbas to end nine months of Hamas rule and call early elections.

Prime Minister Ismail Haniyeh said Hamas would boycott the vote. In one symbolic attack, Abbas' empty residence came under fire. The foreign minister, Mahmoud Zahar, escaped unharmed after the attack on his convoy, which unleashed a ferocious battle between Hamas and Fatah gunmen that raged for more than an hour in Gaza City. During the fighting, which left a 19-year-old woman dead, Hamas gunmen fired at Abbas' empty Gaza City residence.

Earlier in the day, dozens of gunmen

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raided a training camp of Abbas' Presidential Guard near the residence, killing a member of the elite force. During the funeral procession for the guardsman, Fatah supporters fired into the air, drawing a similar response from nervous Hamas militiamen.

By mid-afternoon, the fighting calmed down and Abbas' forces appeared to have the upper hand. But Hamas gunmen opened fire at a Fatah political rally where tens of thousands of people were marching in support of Abbas. Three people were wounded.

Despite the violence, Abbas, who was in the West Bank, signaled he is determined to push ahead with the elections. He met with members of the Central Election Commission at his headquarters to discuss a possible date. The head of the panel said it would take at least three months to prepare new presidential and parliament elections.

Haniyeh accused the president of trying

Canadian stocks

SAN FRANCISCO — A selloff in energy and materials shares contributed to a triple-digit loss in Canadian stocks Friday.

The S&P/TSX Composite Index (SPTSX) fell 156, or 1.2%, to 12,866.27, pushing the key index back below its record 13,000 level after a one-session stay.

Declines beat advances 839 to 723 and seven of the TSX's 10 sector indexes fell.

The energy sector shed 2.3%, going against the direction of oil prices. The price of crude surpassed \$63 a barrel.

However, the price of natural gas was down, and investors chose to take profits in the sector, beating down EnCana (ECA)(ECA) 5.9% and Petro Canada (PCA)(PCZ) down 5.1%.

The price of gold fell to a one and a half month low, hit by a combination of a firming

Legal System in Iraq

Beneath the Weight

BAGHDAD — In a cavernous room that once displayed gifts given to Saddam Hussein, eight men in yellow prison garb sat on the floor facing the wall, guarded by two American soldiers. Among them was Abdulla Sultan Khalaf, a Ministry of Industry employee seized by American troops who said they found 10 blasting caps and 100 sticks of TNT. When his name was called, he stood, walked into a cagelike defendant's box and peered over the wooden slats at a panel of three Iraqi judges of the central court.

The judges reviewed evidence prepared by an American military lawyer — testimony from two soldiers, photographs and a sketch of the scene.

The evidence went largely unchallenged, because Mr. Khalaf had no lawyer. The judges appointed one, but Mr. Khalaf had no chance to speak with him. Mr. Khalaf told the judges that the soldiers were probably chasing a rogue nephew and denied that the explosives were his or ever in his house. "Let me examine the pictures," he insisted. The judges ignored him. His lawyer said nothing, beyond declaring Mr. Khalaf's innocence.

to topple the Hamas-led government illegally.

"We confirm that the Palestinian government refuses the invitation to early elections because it is unconstitutional and could cause tension among Palestinians," Haniyeh said before beginning a ministerial meeting in Gaza City. He said Abbas' speech was "insulting to the sacrifices and the pain

and had an error margin of 3 percentage points. Hamas' landslide election in January parliamentary elections split the Palestinian leadership into two camps. One, led by Abbas, seeks peace with Israel; the other, led by Hamas, is sworn to the Jewish state's destruction. The infighting has often degenerated into violence, and last week, tensions reached their highest peak in years.

Designed for newspaper setting, Greta is a typeface family consisting of four primary text cuts (Light, Regular, Medium, and Bold) intended to work between 6–12pt, accompanied by *Italic*, and SMALL CAPS. Each weight includes also a (+) and (–) grade, which are basically lighter and darker versions of the weight using the same metrics information, so the text do not reflow. The family includes also headline cuts Display Regular and Display Bold with an increased contrast, tighter spacing and more refined details. Designed by Peter Bilak, to be published by Typotheque.com

The six trials of similar length and depth before lunch, then deliberated for four minutes. Five defendants were found guilty; one was acquitted. "The evidence is enough," Judge Saeb Khorsheed Ahmed said in convicting Mr. Khalaf. "Thirty years."

The United States established the Central Criminal Court of Iraq three years ago, envisioning it as a pillar of a new democracy. But like the faltering effort to create effective Iraqi security forces, the system for detaining, charging and trying suspects has instead become another weak link in the rule of law in Iraq, according to an examination of the justice system by The New York Times.

The stakes are rising. The court has begun sentencing American-held detainees to death by hanging, 14 this year. Almost every aspect of the judicial system is lacking, poorly serving not just detainees but also Iraqi citizens and troops trying to maintain order.

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Soldiers who have little if any training in gathering evidence or sorting the guilty from the innocent are left to decide whom to detain. The military conducts reviews to decide whom to release, yet neither Iraqi detainees nor defense lawyers are allowed to attend, according to military documents and interviews.

Tens of thousands of detainees have been released by the Americans, often under political pressure from the Iraqis, but American soldiers complain they are apprehending many dangerous insurgents again and again. At the same time, detainees are held for long periods by the Americans without being charged, in some instances for as long as two years.

Even detainees who are formally charged and brought to the Iraqi court have little ability to develop a defense against evidence collected by American lawyers and soldiers. Most defense lawyers are appointed by the court and paid \$15 per case. Even if they are so inclined, they are largely unable to gather evidence because of the threat of violence. One American lawyer said that in 100 cases

Lips of Tips to f Dead

an financial consultant on when he will die. the life insurance policy.

of industry could be forced to pay out unexpectedly more than \$100 billion in death benefits as spin-life policies come to maturity, investors estimate.

In Minnesota, according to lawsuits brought by insurers, an 82-year-old named John R. Paulson bought life policies worth \$120 million from seven companies and resold many of them before insurance companies realized what was going on and sued, saying that Mr. Paulson had lied on his applications.

Life insurance companies, in particular, rely on policies lapsing before the policyholder dies. Last year, for instance, insurance companies reduced their financial exposure by \$1.1 trillion when 19.8 million policyholders stopped paying premiums, according to the Insurance Information Institute. In comparison, the industry paid death benefits on only 2.2 million policies.

If those lapsed policies had been sold to investors rather than canceled, insurance

erful opportunity to use my boay as an asset," Mr. Margo said. "I deserve to be able to benefit in some way from my age."

the loan will be repaid from the death benefit when he dies.

Such policies are known as speculative-initiated life insurance, or "spin-life" policies. Investors estimate that spin-life policies worth as much as \$13 billion will change hands next year.

The deals are so lucrative that older people are being wooed in every fathomable way. In Florida, investors have sponsored free cruises for seniors willing to undergo physical exams and apply for life insurance while onboard.

For insurers, such cruises are a financial Titanic. Over the next decade, the insurance

Americans as they reach retirement age. These aging baby boomers and those even older offer both opportunities and risks for many companies, investors and swindlers seeking to capitalize on their final years.

Insurance executives, for instance, say transactions like Mr. Margolis's may cripple their industry and make it harder for the average senior to buy life insurance in the first place. Insurers are worried because they count on many customers canceling their policies before they die, usually because their children grow up and no longer need the financial protection, their pensions kick in or premiums become too expensive. If far more policies result in payouts, the insurance business becomes much less profitable.

Indeed, industry analysts say they expect the cost of life insurance to rise as companies prepare to pay out more claims.

"If payouts increase, the cost of insuring people is effectively going up, and that will definitely increase the price of policies," said J. David Cum-