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TEXT

SUBJECT: "MEDIA REACTION" NAZI GOLD/HOLOCAUST
ASSETS

SUMMARY: THE FOLLOWING TEXT IS A SELECTION OF
NEWSPAPER ARTICLES THAT HAVE APPEARED THIS PAST
WEEK ON SWISS "NAZI GOLD" AND DORMANT SWISS BANK
ACCOUNTS OF HOLOCAUST VICTIMS:

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NAZI WAR CRIMES DISCLOSURE ACT
2000

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BEGIN EXCERPTS:

1. KOLLER REQUESTED SOLIDARITY

THE PRESSURE ON SWITZERLAND BECAUSE OF ITS ROLE DURING THE NAZI ERA WAS THE ISSUE OF MANY SPEECHES ON AUGUST 1. PRESIDENT ARNOLD KOLLER STATED THAT "NOBODY SHOULD TRY TO TEACH US SOMETHING." KOLLER CALLED ON THE PEOPLE TO FACE CHALLENGES OPENLY AND WITH SOLIDARITY. A RENEWED SOLIDARITY WILL ALSO BE NECESSARY TO GIVE SWITZERLAND NEW APPEAL IN THE WORLD, KOLLER STATED. ACCORDING TO KOLLER, SWITZERLAND DOES NOT NEED DOMESTIC OR FOREIGN PROPHETS.

ZURICH NATIONAL COUNCILOR CHRISTOPH BLOCHER SPOKE ON THE EVE OF AUGUST 1 TO ABOUT 2,000 PEOPLE IN THE CANTON OF AARGAU. HE SAID THAT IT IS NOT EASY TO ORIENTATE ONESELF IN A DIFFICULT TIME. ACCORDING TO BLOCHER, SWITZERLAND CAN GET THROUGH THIS BY HOLDING ON TO TRADITION.

MANY SPEAKERS TALKED ABOUT THE CURRENT CRISIS ATMOSPHERE AND CALLED FOR SOLIDARITY, TOLERANCE, AND RESPONSIBILITY.

(FRONT PAGE TAGES-ANZEIGER, 8/2)

2. VOLCKER COMMISSION

A NEW YORK JUDGE HAS ASKED THE LAWYERS OF THE SWISS BANKS AND THE HOLOCAUST SURVIVORS TO REVIEW THE POSSIBILITY OF A COOPERATION WITH THE VOLCKER COMMISSION. SPECIFIC NEGOTIATIONS SHOULD BE SCHEDULED NEXT WEEK. EDWARD KORMAN POSTPONED A DECISION WHETHER THE CLASS ACTION LAWSUIT AGAINST THE SWISS BANKS SHOULD PROCEED.

THE VOLCKER COMMISSION IS INVESTIGATING DORMANT ACCOUNTS IN SWISS BANKS. PAUL VOLCKER HIMSELF IS SKEPTICAL ABOUT SUCH COOPERATION. REPRESENTATIVES OF THE SWISS BANKS, HOWEVER, WERE REPORTEDLY SATISFIED WITH THE RESULTS OF THE HEARING.

(FRONT PAGE TAGES-ANZEIGER, 8/2)

3. BLOCHER OFFENDS HOLOCAUST VICTIM

"THERE ARE NO HOLOCAUST VICTIMS SINCE THEY ARE DEAD." CHRISTOPH BLOCHER'S STATEMENT TO A JOURNALIST FROM "SONNTAGSZEITUNG" HURT GABOR HIRSCH. HIRSCH SURVIVED AUSCHWITZ AND IT IRRITATES HIM THAT A REPRESENTATIVE OF THE POLITICAL ELITE IS MAKING SUCH A STATEMENT. HIRSCH GREW UP IN THE SOUTH OF HUNGARY AND WAS DEPORTED TO AUSCHWITZ IN JUNE 1944. HE, HIS FATHER, AND TWO UNCLES SURVIVED WORLD WAR II WHILE OTHER FAMILY MEMBERS WERE KILLED BY THE

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NAZIS. HIRSCH CAME TO SWITZERLAND IN 1956. SINCE 1972, HAS BEEN A SWISS CITIZEN AND PRESIDENT OF THE OFFICE FOR SURVIVORS OF THE HOLOCAUST IN SWITZERLAND.

AT A PRESS CONFERENCE ON WEDNESDAY, CHRISTOPH BLOCHER STATED THAT "THERE IS NO SWISS GUILT AND, THEREFORE, NO REASON TO PAY SOMETHING TO SO-CALLED HOLOCAUST VICTIMS."
(TAGES-ANZEIGER, 8/4)

4. BLOCHER'S TELEGRAM FOR D'AMATO

BLOCHER SENT U.S. SENATOR ALFONSE D'AMATO, WHO CELEBRATED HIS 60TH BIRTHDAY ON SWITZERLAND'S NATIONAL DAY, A RECONCILIATORY TELEGRAM. ACCORDING TO BLOCHER, HE ASKED D'AMATO TO SHOW MORE UNDERSTANDING AND SYMPATHY FOR A SMALL COUNTRY LIKE SWITZERLAND.
(SONNTAGSZEITUNG, 8/3)

5. HOLOCAUST FUND

ONE MONTH AFTER THE DECISION TO BEGIN DISTRIBUTION FROM THE SPECIAL FUND FOR HOLOCAUST VICTIMS IN NEED NO SPECIFIC REQUESTS FOR THE MONEY HAVE BEEN RECEIVED. ACCORDING TO THE PRESIDENT OF THE FUND, ROLF BLOCH, THE DECISION ABOUT THE DISTRIBUTION OF THE INITIAL SFR. 17 MILLION WILL BE MADE IN MID-SEPTEMBER, AT THE LATEST.
(BERNER ZEITUNG, 8/5)

6. FROM THE VATICAN TO THE REICHSBANK

REUTERS NEWS AGENCY RECEIVED DOCUMENTS FROM THE U.S. NATIONAL ARCHIVES WHICH SUPPOSEDLY CONTAIN MORE EVIDENCE ABOUT THE LOOTED ASSETS FROM WORLD WAR II STORED AT THE VATICAN. THE VATICAN HAD REJECTED SUCH ALLEGATIONS EARLIER.

ONE OF THE CURRENT DOCUMENTS MENTIONS A TRANSACTION OF JANUARY 27, 1945 IN WHICH CREDIT SUISSE INFORMED THE VATICAN BANK THAT IT WILL RECEIVE SFR. 6,407.50 FROM THE REICHSBANK IN BERLIN. THE ALLIES CONSIDERED SUCH TRANSACTIONS WITH THE REICHSBANK ILLEGAL.

A SECOND DOCUMENT MARKED "SECRET INTELLIGENCE MATERIAL CONFIDENTIAL" MENTIONS THAT THE VATICAN BANK ASKED UNION BANK OF SWITZERLAND IN APRIL 1945 TO TRANSFER SFR. 100,000 TO THE BANCA DELLA SVIZZERA ITALIANA (BSI) IN LUGANO, WHICH WAS ON THE ALLIES' BLACK LIST. IN ADDITION, THE NATIONAL BANK WAS ASKED TO TRANSFER SFR. 200,000 TO THE BSI.

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THE SWISS BANKS REACTED CAUTIOUSLY TO THESE REPORTS. ACCORDING TO CREDIT SUISSE AND THE NATIONAL BANK, IT IS NOT YET POSSIBLE TO COMMENT ON DOCUMENTS THEY HAVE NOT SEEN. A SPOKESPERSON FOR THE UNION BANK OF SWITZERLAND STATED THAT IT WILL BE THE HISTORICAL COMMISSION'S TASK TO INVESTIGATE THE NEWLY DISCOVERED DOCUMENTS. (TAGES-ANZEIGER, 8/5)

7. SHADOWS OF WORLD WAR II

AT THE END OF JUNE 1995, THE "WALL STREET JOURNAL" REPORTED ABOUT THE DIFFICULTIES OF A FAMILY IN CLAIMING THEIR MONEY IN A DORMANT ACCOUNT AT JULIUS BAER BANK. AFTER THE INITIAL SLIGHT CRITICISM OF SWISS BANKS, A FLOOD OF REQUESTS AND THREATS FOLLOWED. AS A RESULT OF THE TWO-YEAR DISPUTE, THE SWISS BANKS FIND THEMSELVES IN A CONFIDENCE CRISIS. DESPITE INCREASED EFFORTS, THE FINANCIAL INSTITUTIONS HAVE NOT BEEN ABLE TO REGAIN THEIR WORLDWIDE CREDIBILITY. (NEUE ZUERCHER ZEITUNG, 8/5)

8. ZIEGLER'S BOOK ON NAZI ERA

"THERE ARE MISTAKES, INEXACT STATEMENTS, AND REPETITIONS," "TAGES-ANZEIGER" WROTE IN MARCH WHEN GENEVA PROFESSOR AND SOCIALIST NATIONAL COUNCILOR JEAN ZIEGLER PUBLISHED HIS 314-PAGE BOOK "SWITZERLAND, THE GOLD, AND THE DEAD." THE ZURICH DAILY CONCLUDED THAT THE READER DOES NOT KNOW AT THE END WHAT IS REALITY AND WHAT IS ZIEGLER'S IMAGINATION.

FORMER NATIONAL COUNCILOR FELIX AUER SYSTEMATICALLY LISTED WHERE ZIEGLER DEPARTED FROM THE FACTS. ACCORDING TO AUER, ZIEGLER'S TRUE STATEMENTS ARE NOT NEW AND THE NEW ONES ARE NOT TRUE. THEY ARE ASSERTION NOT PROVEN. DOZENS OF HISTORIANS AND BOOK CRITICS HAVE ALREADY MADE THE SUBJECT: "MEDIA REACION" NAZI GOLD/HOLOCAUST ASSETS

SAME OR SIMILR STATEMENTS. AUER, HOWEVER, HAS FOUND A INTERETING CHAPTER IN THE BOOK. ZIEGLER WROTE THAT AT THE AGE OF NINE IN DECEMBER 1943 HE WITNESSED A SOW STORM AT THE STATION IN THUN AND THE DERAILMENT OF SEVERAL CARS WHICH LED TO THE DISCOVERY OF TONS OF GERMAN WAR MATERIAL. ACCORDING TO AUER, WHO SEARCHED IN ARCHIVES AND INTERVIEWED MORE THAN TWENTY WITNESSES, NOTHING LIKE THAT HAPPENED IN THUN. IN ADDITION, HE REJECTED ZIEGLER'S ASSERTIONS THAT SWITZERLAND

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OWES ITS WEALTH TO ITS COMPLICITY WITH THE NAZIS AND THAT SWITZERLAND WAS DECISIVE FOR GERMANY'S WAR EFFORT. HOWEVER, AUER AGREES WITH ZIEGLER IN HIS CRITICISM OF SWITZERLAND'S HANDLING OF LOOTED GOLD AND DORMANT ACCOUNTS, THE INSUFFICIENT FULFILMENT OF THE WASHINGTON AGREEMENT AND SWISS POLICY TOWARD REFUGEES.
(TAGES-ANZEIGER, 8/7)

9. VOLCKER COMMISSION

THE VOLCKER COMMISSION WILL APPOINT A TEAM OF EXPERTS TO REVIEW THE QUESTION OF INTEREST RATES FOR THE DORMANT ACCOUNTS IN SWISS BANKS. IN ADDITION, THE COMMITTEE WILL LOOK AT THE FEES CHARGED BY THE BANKS.
(BASLER ZEITUNG, 8/7)

10. HITLER'S ORDER: SPARE SWITZERLAND

SWITZERLAND WAS MORE INVOLVED WITH THE NAZI REGIME THAN HAD BEEN KNOWN. DOCUMENTS, WHICH THE ECONOMIC WEEKLY "CASH" PUBLISHED IN ITS CURRENT EDITION, PROVE THIS. SWITZERLAND AND NOT THE NAZIS DICTATED THE ECONOMIC CONDITIONS FROM 1943 ON. HITLER PROTECTED HIS MOST IMPORTANT TRADING PARTNER. HE KNEW EXACTLY HOW VALUABLE SWITZERLAND WAS FOR HIS WAR GOALS.

CONFIDENTIAL PROTOCOLS OF HITLER'S TRADE POLITICAL COMMITTEE REVEAL THE FORMER PRESIDENT OF THE NATIONAL BANK AS NAZI COLLABORATOR AND PROVE THE SECRET, HITHERTO DENIED, HUGE ARMS TRANSFERS THROUGH THE GOTTHARD TUNNEL. TEN THOUSAND RAILWAY CARS FILLED WITH GERMAN ARMS TRANSITED SWITZERLAND EVERY MONTH. THE FEDERAL COUNCIL COVERED UP THIS SEVERE BREACH OF SWISS NEUTRALITY. IN ADDITION, THE HIGHLY PRIZED SWISS DEEP-SEA FLEET FOUNDED DURING THE WAR ALSO SERVED HITLER'S REGIME FOR ARMS PURPOSES.

THE DOCUMENTS PROVE THE SURPRISINGLY STRONG ROLE SWITZERLAND PLAYED FOR THE NAZIS IN THE SECOND HALF OF THE WAR. RESPECTED STUTTGART PROFESSOR AND ECONOMIC HISTORIAN WILLI A. BOELCKE IS ONE OF THE WORLD'S LEADING EXPERTS ON THE THIRD REICH'S TRADE RELATIONS. IN AN INTERVIEW WITH "CASH," HE STATED THAT THE GERMAN WAR EFFORTS DEPENDED ON SWITZERLAND. ACCORDING TO BOELCKE, WITHOUT SWITZERLAND'S ASSISTANCE, THE GERMAN WAR MACHINE WOULD HAVE BEEN LAME MUCH EARLIER.

ANOTHER ASTONISHING DISCOVERY IS THE FACT THAT FOR DECADES THE DOCUMENTS OF THE TRADE POLITICAL COMMITTEE HAVE BEEN ACCESSIBLE AT THE FEDERAL

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ARCHIVE IN KOBLENZ, WHERE BOELCKE DISCOVERED AND EVALUATED THEM IN THE 1970'S. "OFFICIAL" SWISS HISTORY HAS NEGLECTED THESE DOCUMENTS. IN JUNE, LEADING SWISS HISTORIANS LIKE WALTHER HOFER AND JOERG FISCH (UNIVERSITY OF ZURICH) REJECTED THE ACCUSATION THAT SWITZERLAND PROLONGED THE WAR AS "ABSURD, NONSENSE, AND MISLEADING" AND BASED THEIR STATEMENT ON BOELCKE.
(FRONT PAGE CASH, 8/8)

11. HARDLY PROVEN

ACCORDING TO THE "TASK FORCE" HISTORIAN THOMAS LEUTENEGGER AND THE LAWYER RICHARD OCHSNER, CASH'S STATEMENTS ON THE GERMAN REICH'S ARMS TRANSFERS THROUGH SWITZERLAND IS HIGHLY EXAGGERATED AND THE SUGGESTION THAT THE FEDERAL COUNCIL COVERED THEM UP ARE COMPLETELY WRONG. ACCORDING TO THE INTERNATIONAL LAW ON NEUTRALITY, TRANSITS OF ARMS AND AMMUNITION THROUGH SWITZERLAND WERE NOT ILLEGAL. NEVERTHELESS, THE FEDERAL COUNCIL ENACTED AN ABSOLUTE TRANSIT BAN IN OCTOBER 1941. AN OBVIOUS VIOLATION OF THIS BAN WOULD HAVE BEEN MADE PUBLIC.

WHEN BOELCKE WAS CONFRONTED WITH THE "CASH" REPORT, HE DENIED MAKING THE STATEMENTS AS THEY ARE PUBLISHED. HE EVEN DISTANCED HIMSELF FROM TWO WRONG STATEMENTS, BUT REFUSED FURTHER COMMENT ON THE "CASH" ARTICLE. HOWEVER, HE EMPHASIZED HIS BASIC THESIS THAT BECAUSE OF ITS STRONG POSITION AS A FINANCIAL CENTER, TRADING PARTNER, AND TRANSIT COUNTRY, SWITZERLAND PLAYED AN IMPORTANT ROLE FOR THE NAZIS AND COULD HAVE DONE MORE TO CUT THE WAR SHORT.
(TAGES-ANZEIGER, 8/8)

12. HOLOCAUST FUND

FCO SASSOLI WILL BE THE SECRETARY GENERAL OF THE HOLOCAUST FUND. HE IS A LAWYER AND HAS WORKED FOR THE INTERNATIONAL COMMITTEE OF THE RED CROSS. HE WILL ASSUME HIS NEW POSITION ON SEPTEMBER 1.
(TAGES-ANZEIGER, 8/8)

13. NAZI GOLD CONFERENCE

SWITZERLAND HAS BEEN INVITED TO ATTEND THE INTERNATIONAL CONFERENCE ON NAZI GOLD, WHICH WILL TAKE PLACE DECEMBER 2-4 IN LONDON. BRITISH FOREIGN MINISTER ROBIN COOK ANNOUNCED ON WEDNESDAY THAT THE U.S., GREAT BRITAIN, AND FRANCE AGREED TO HOLD THE CONFERENCE IN DECEMBER. ACCORDING TO THE SPOKESPERSON FOR THE SWISS TASK

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FORCE, LINDA SHEPARD, SWITZERLAND RECEIVED THE INVITATION FROM BRITISH AUTHORITIES ON THURSDAY. THE FEDERAL COUNCIL WILL HAVE TO DECIDE WHETHER AND HOW SWITZERLAND WILL BE REPRESENTED IN LONDON.

(BASLER ZEITUNG, 8/8)

14. CREDIT SUISSE A SPY

ACCORDING TO THE FRENCH DAILY "LIBERATION," DURING THE WAR CREDIT SUISSE MADE PAYMENTS TO A PUBLISHING COMPANY THAT SERVED AS A FRONT FOR NAZI SPIES. THE DAILY BASED ITS REPORT ON A 1946 U.S. DOCUMENT. ACCORDING TO THE BANK, THERE IS NO ARCHIVAL INFORMATION ALLOWING FOR THE EXAMINATION OF SUCH A CHARGE.
JOURNAL DE GENEVE - 8/2-3/97

15. SWISS PARLIAMENTARIANS IRRITATED AT AMERICAN ATTACKS

CLAIMING THAT SWITZERLAND "DOES NOT NEED TO BE TAUGHT A LESSON BY ANYBODY" AND THAT "THE COUNTRY DOES NOT NEED PROPHETS HERE OR ABROAD," THE PRESIDENT OF THE CONFEDERATION DELIVERED HIS NATIONAL DAY REMARKS UNDER THE THEME OF SOLIDARITY. ALTHOUGH CHRISTOPH BLOCHER WAS REMARKABLY RESTRAINED, THE SWISS NATIONAL DAY WEEKEND WAS NOT WITHOUT TRACES OF CONTROVERSY. THE NEW ATTACKS BY SENATOR ALFONSE D'AMATO, REQUESTING THAT PRESIDENT ARNOLD KOLLER APOLOGIZE FOR THE ILL TREATMENT OF CHRISTOPH MEILI IN SWITZERLAND, HAVE IRRITATED SWISS PARLIAMENTARIANS. THE FDP PRESIDENT, FRANZ STEINEGGER, SAID THAT D'AMATO'S PRESSURE LOOKS LIKE THE METHODS USED BY NAZIS. SEVERAL OTHER MEMBERS OF THE FOREIGN AFFAIRS COMMITTEE HAVE ALSO APPARENTLY HAD ENOUGH. ERNST MOHLEMANN DEMANDS THAT PRESIDENT CLINTON DISTANCE HIMSELF FROM D'AMATO. ACCORDING TO CVP'S ROSEMARY SIMMEN, "WE CANNOT LET OURSELVES BE INSULTED THIS WAY, WITH PRACTICES THAT ARE NOT WORTHY OF A CIVILIZED STATE." BY CONTRAST, CHRISTINE BEERLI BELIEVES THAT ONE HAS SIMPLY TO IGNORE D'AMATO. THIS NEW WAVE OF ATTACKS AGAINST SWITZERLAND HAS PROMPTED SIMON WIESENTHAL, THE FAMOUS NAZI HUNTER, TO DEMAND THAT THE ATTACKS BE STOPPED. OTHERWISE, HE ARGUES, THERE IS THE RISK OF CAUSING A "WALDHEIM EFFECT," REFERRING TO THE PHENOMENON WHEREBY AUSTRIANS RALLIED TO THE CAUSE OF FORMER AUSTRIAN PRESIDENT **KURT WALDHEIM**.
NOUVEAU QUOTIDIEN - 8/4/97

END EXCERPTS. SMITH

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