

UNCLASSIFIED

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STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P,  
P/FW, P/FN, P/M, HA.  
NEA; ROME AND JERUSALEM FOR VOA; VOA NEWS/CA.  
VOA FOR MORT SMITH; BIB FOR WALTER ROBERTS.  
AMEMBASSY THE HAGUE FOR DCM HUGHES. AMEMBASSY ROME FOR

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MFO. JERUSALEM FOR ICD GREEN.  
USCINCEUR VAHINGEN FOR POLAD AMB. LANE AND PAO.  
MACDILL FOR USIA ADVISER BRIAN BELL.  
STATE FOR NEA/IAI WILCOX, NEA/P AUSTRIAN.  
E.O. 12356: N/A

SUBJECT: MEDIA REACTION/PRESS REVIEW, JUNE 8, 9, 1986

A) STORIES COVERED IN REPORT:

1. THE POLLARD SPY EBC3 .?4)

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WITH WASHINGTON'S INVESTIGATORS." CABINET SECRETARY  
BEILIN SAID ON ISRAEL TV THAT ISRAEL PROMISED TO  
CONTINUE ITS COOPERATION WITH THE U.S.

-- YEDIOT FRONTPAGE VP BUSH'S STATEMENT IN AN  
INTERVIEW THAT THE "POLLARD AFFAIR HAS ALREADY HAD SOME  
NEGATIVE EFFECTS ON U.S.-ISRAEL RELATIONS."

-- MAARIV EDITORIAL OF JUNE 8 SAID THAT "ISRAEL OUGHT  
TO IMPRESS ON WASHINGTON THAT THE MATTER WAS VERY  
SERIOUS AND THAT THE AFFAIR MUST BE REMOVED SWIFTLY AND  
TOTALLY FROM THE AGENDA." YEDIOT EDITORIAL WROTE:  
"ISRAEL MUST NOT LET HERSELF BE DRAWN ... INTO A  
CONFRONTATION WITH THE U.S."

2. THE LAVI WARPLANE CONTROVERSY:

-- MILITARY CORRESPONDENTS QUOTED ISRAELI DEFENSE  
SOURCES THAT, FOR ECONOMIC REASONS, THE U.S. HAS OR IS  
ABOUT TO WRITE OFF THE LAVI PROJECT. A JERUSALEM POST  
EDITORIAL SPECULATED, HOWEVER, THAT "THE ISSUE IS A  
POLITICAL ISSUE OF THE FIRST ORDER"

J.S.-SAUDI MISSILE DEAL:

-- TEL AVIV UNIVERSITY PROFESSOR SHAI FELDMAN TOLD  
YEDIOT THAT THE SENATE VOTE ON THE SALE COULD BE SEEN  
AS A VICTORY FOR ISRAEL, BECAUSE IT WAS SCALED DOWN,  
BUT IT "SHOULD NOT BE BLOWN OUT OF PROPORTIONS.  
PRESIDENT REAGAN DID NOT PUT ALL HE HAD IN THE BATTLE,  
AS HE DID IN THE AWACS DEAL CONTROVERSY."

4. ISRAELI-EGYPTIAN TABA NEGOTIATIONS:

-- ISRAEL RADIO CITED AMERICAN SOURCES AS SAYING THAT  
END OF MESSAGE UNCLASSIFIED

\*\*\*<<<<< SECTION 2 >>>>\*\*\*

STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P,  
P/FW, P/FN, P/M, HA.

NEA; ROME AND JERUSALEM FOR VOA; VOA NEWS/CA.

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CAIRO MAY PREFER TO AVOID ARBITRATION, WHICH IS  
BINDING, BECAUSE IT FEARS ISRAEL'S CASE ON THE TABA  
DISPUTE IS STRONG.

5. WALDHEIM ELECTED AUSTRIA'S PRESIDENT:

-- ALL MEDIA LED WITH THE GOI'S "PROFOUND REGRET AND

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DISAPPOINTMENT" AT WALDHEIM'S ELECTION. EDITORIALS CALLED ON ISRAEL TO REACT WITH MODERATION, AND TO CONSIDER ISRAEL'S INTERESTS IN AUSTRIA.

C) HEADLINES:

1. THE POLLARD SPY CASE:

"VP GEORGE BUSH: POLLARD AFFAIR CLOUDS OUR RELATIONS" (YEDIOT), "DEFENSE MINISTER RABIN: CERTAIN U.S. ADMINISTRATION CIRCLES ARE OUT TO GET ISRAEL" (HA'ARETZ AND JERUSALEM POST), "NEWSWEEK: PENTAGON RECONSIDERS GENERAL LEVY'S VISIT" (HADASHOT), "U.S. INCLINED TO GIVE ISRAEL BENEFIT OF THE DOUBT" (DAVAR), "ISRAEL SEEKS TO PUT END TO AFFAIR" (JERUSALEM POST), "FBI'S WEBSTER TO THE NEW YORK TIMES: ISRAEL HOLDING BACK" (ALL MEDIA), "PERES AND RABIN KNEW THAT SELLA WAS INVOLVED IN THE POLLARD AFFAIR; THEY DIDN'T INFORM U.S. INVESTIGATORS" (MAARIV).

2. THE LAVI WARPLANE CONTROVERSY:

"U.S. MADE UP ITS MIND TO STOP PROJECT, LOOKS FOR ALTERNATIVES" (ISRAEL TV), "U.S. PRESSURE ON ISRAEL TO DROP LAVI IN FAVOR OF F-16" (HADASHOT), "DEFENSE MINISTRY OFFICIALS: THE U.S. MAY OFFER A DEAL: ONE OF ITS OWN WARPLANES FOR THE LAVI" (YEDIOT), "REASSESSING THE LAVI" (JERUSALEM POST EDITORIAL).

3. U.S.-SAUDI MISSILE DEAL:

"A VICTORY OF SORTS" (YEDIOT COMMENTARY).

4. ISRAELI-EGYPTIAN TABA NEGOTIATIONS:

"ISRAEL, EGYPT NAME TABA ARBITRATORS; RUTH LAPIDOT IS ISRAEL'S CHOICE" (ISRAEL RADIO).

5. WALDHEIM ELECTED AUSTRIA'S PRESIDENT:

ISRAEL RECALLS ITS AMBASSADOR FROM VIENNA FOR CONSULTATIONS" (ISRAEL RADIO), "JERUSALEM EXPRESSES SORROW, DISMAY" (ALL MEDIA), "U.S. WITHHOLDING REACTION; LEGISLATORS CALL FOR BARRING WALDHEIM FROM THE U.S.; MEESE CONSIDERS PROPOSAL" (ISRAEL RADIO), "WALDHEIM: I'LL DO EVERYTHING TO MAINTAIN GOOD RELATIONS WITH ISRAEL" (YEDIOT).

END OF MESSAGE

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\*\*\*<<<<< SECTION 3 >>>>>\*\*\*

STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P, P/FW, P/FN, P/M, HA.

NEA; ROME AND JERUSALEM FOR VOA; VOA NEWS/CA.

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STATE FOR NEA/IAI WILCOX, NEA/P AUSTRIAN.

E.O. 12356: N/A

SUBJECT: MEDIA REACTION/PRESS REVIEW, JUNE 8, 9, 1986

D) SUPPORTIVE TEXT:

1. THE POLLARD SPY CASE:

I. ALL MEDIA OF JUNE 9 FEATURED THE ISRAELI CABINET'S COMMUNIQUE, STATING THAT "THERE ARE NO SPYING ACTIVITIES BY ISRAEL AGAINST THE U.S.," ATTACKING THE WAVE OF BASELESS ALLEGATIONS" IN THE U.S. AND

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EMPHASIZING ISRAEL'S "SINCERE COOPERATION" WITH WASHINGTON'S INVESTIGATORS. IN AN APPEARANCE ON ISRAEL TV, CABINET SECRETARY YOSSI BEILIN STATED: "IF THERE'S A NEED AND IF WE ARE ASKED, WE WILL COOPERATE IN THE MOST HONEST AND FULL WAY TO PUT AN END TO THIS MATTER, AND IF THERE IS AN ADDITIONAL INVESTIGATION WE WILL COOPERATE AS WELL."

II. ALL MEDIA OF JUNE 8 FEATURED DEFENSE MINISTER RABIN'S REMARKS IN A SPEECH IN TEL AVIV THAT "CERTAIN CIRCLES IN THE U.S.G. WERE 'OUT TO GET ISRAEL. I DO NOT KNOW WHY, BUT RECENT EVENTS IN THE U.S. ADD UP TO SOMETHING THAT SHOULD WORRY US'."

III. SECONDING DEFENSE MINISTER RABIN'S REMARKS, MAARIV EDITORIAL OF JUNE 8 SAID THAT "ISRAEL OUGHT TO IMPRESS ON WASHINGTON THAT THE MATTER WAS VERY SERIOUS AND THAT THE AFFAIR MUST BE REMOVED SWIFTLY AND TOTALLY FROM THE AGENDA." ON JUNE 9, MAARIV WROTE THAT "THE CABINET'S COMMUNIQUE WAS BOTH RESTRAINED, CLEAR AND TIMELY . . . THE U.S. ADMINISTRATION IS ADVISED TO READ BETWEEN THE LINES JERUSALEM'S DISMAY OVER THE ONGOING ATTEMPTS TO DISCREDIT THE GOI. JERUSALEM HAS PRESUMABLY INDICATED TO WASHINGTON THAT THE U.S. ADMINISTRATION OUGHT TO PUT AN END TO THE ORGY (OF ANTI-ISRAELI PRESS REPORTS) BEFORE IT AFFECTS OUR SPECIAL RELATIONSHIP . . . IF THE ADMINISTRATION DOES NOT SHUT THE MOUTHS OF THOSE WHO 'ARE OUT TO GET ISRAEL,' THE GOI WOULD HAVE TO CONSIDER OTHER, FIRMER, METHODS."

IV. YEDIOT LED (JUNE 8) WITH POLITICAL/SOCIAL CORRESPONDENT MIRA AVRECH'S REPORT THAT "VICE PRESIDENT GEORGE BUSH TOLD ME IN AN EXCLUSIVE INTERVIEW THAT 'THE POLLARD AFFAIR HAS ALREADY HAD SOME NEGATIVE EFFECTS ON U.S.-ISRAELI RELATIONS. I HOPE AND BELIEVE THAT THOSE RELATIONS ARE STRONG ENOUGH TO WITHSTAND THE NEGATIVE FALLOUTS. STILL, I CAN'T BE CERTAIN THAT IT WON'T AFFECT THE AVERAGE AMERICAN.'" (NOTE: THE FULL INTERVIEW WILL BE PUBLISHED ON THURSDAY.)

V. YEDIOT EDITORIALIST WROTE JUNE 8: "U.S. JUSTICE DEPARTMENT CIRCLES HAVE BEEN USING THE POLLARD AFFAIR TO LAUNCH AN ANTI-ISRAELI CAMPAIGN . . . ISRAEL MUST NOT LET HERSELF BE DRAWN IN BY THOSE CIRCLES, WHOSE AIM IS TO DRIVE A WEDGE BETWEEN US AND THE AMERICANS AND INTO  
END OF MESSAGE UNCLASSIFIED

\*\*\*<<<< SECTION 4 >>>>\*\*\*

STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P, P/FW, P/FN, P/M, HA.

NEA; ROME AND JERUSALEM FOR VOA; VOA NEWS/CA.

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STATE FOR NEA/IAI WILCOX, NEA/P AUSTRIAN.

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A CONFRONTATION WITH THE U.S. ON THE CONTRARY, WE SHOULD HELP THOSE LEADING AMERICAN STATESMEN WHO ARE TRYING TO EASE THE TENSION AND LOWER THE VOLTAGE .... HOWEVER, LET US TELL THOSE WHO ARE ANXIOUS TO PLAY THE CASE FOR ALL IT WAS WORTH SOMETHING THEY MAY NOT BE FAMILIAR WITH, BUT WHICH IS WELL KNOWN TO THE CIA, THE STATE DEPARTMENT AND THE WHITE HOUSE: FOR EACH CASE OF ISRAELI SPYING THEY ARE LEAKING TO THE PRESS WE COULD EASILY NOW, AND WILL PROBABLY BE ABLE IN THE FUTURE, AS WELL, TO PRODUCE A COUPLE OF CASES OF AMERICAN SPYING IN ISRAEL."

VI. HA'ARETZ MILITARY COMMENTATOR ZE'EV SCHIFF WROTE JUNE 8: "THERE ARE THOSE WHO FEEL THAT THE POLLARD AFFAIR IS A MEDIA EVENT OF SHORT DURATION. EVEN IF TRUE, THIS CANNOT SERVE TO INDICATE THE AMOUNT OF DAMAGE IT HAS CAUSED. THE POLLARD CASE WILL HAVE A LONG-TERM EFFECT ON THE TRUSTFUL RELATIONSHIP BETWEEN THE TWO COUNTRIES AND WILL BE THROWN IN OUR FACES TIME AND TIME AGAIN. IT HAS ALREADY AFFECTED U.S.-ISRAELI INTELLIGENCE TIES. THE VISITS OF THE PENTAGON'S AND THE ARMY'S INTELLIGENCE CHIEFS HAVE RECENTLY BEEN CANCELLED. THE IDF AND THE ISRAELI AIR FORCE HAVE BEEN DRAWN INTO THE MESS FOR NO GOOD REASON .... THERE IS NO POINT IN THROWING THE BALL BACK INTO THE AMERICAN COURT. WE MUST LAUNCH A THOROUGH INVESTIGATION INTO HOW OUR INTELLIGENCE AGENCIES WORK AND HOW TO IMPROVE OUR SUPERVISORY SYSTEMS."

VII. THE JERUSALEM POST FRONTPAGED (JUNE 8) A REPORT BY WASHINGTON CORRESPONDENT WOLF BLITZER THAT "SECRETARY OF STATE SHULTZ IS DESCRIBED BY AIDES AS MORE WILLING THAN OTHERS IN THE U.S.G. TO GIVE ISRAEL THE BENEFIT OF THE DOUBT. THERE CLEARLY IS A DIFFERENCE OF OPINION IN THE REAGAN ADMINISTRATION OVER THE EXTENT TO WHICH THE U.S. SHOULD PRESS ISRAEL ON THIS SENSITIVE MATTER."

VIII. CITING PORTIONS OF POLLARD'S INDICTMENT, HA'ARETZ WASHINGTON CORRESPONDENT ZVI BAREL STATED JUNE 9 THAT "IT IS ONLY NORMAL THAT THE U.S. JUSTICE DEPARTMENT, THE FBI AND PERHAPS OTHER AGENCIES HAVE YET TO BE PERSUADED THAT WE ARE REALLY ON THE LEVEL .... THE QUESTIONS ARISING FROM EVEN A CURSORY STUDY OF THE INDICTMENT ARE LIKE AN OPEN WOUND. WE MUST NOT FEEL SURPRISED THAT THE SEASONED AMERICAN INVESTIGATORS THINK THAT WE HAVE NOT BEEN TELLING ALL WE KNOW ABOUT THE AFFAIR. AS FAR AS THE AMERICANS ARE CONCERNED, THERE IS ONLY ONE, VERY LOGICAL ANSWER TO ALL THE BEWILDERING QUESTION MARKS: SOMEBODY IN THE CABINET IS COVERING UP."

IX. DAVAR WASHINGTON CORRESPONDENT AMIR OREN WROTE IN A LEAD STORY JUNE 8 THAT "ISRAEL'S FRIENDS IN TOP ADMINISTRATION POSITIONS HAVE ADOPTED A LINE GIVING ISRAEL THE BENEFIT OF THE DOUBT, PROVIDED IT BECOMES END OF MESSAGE

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STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P,

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STATE FOR NEA/IAI WILCOX, NEA/P AUSTRIAN.

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MORE COOPERATIVE THAN IN THE PAST. SO FAR, THE AFFAIR HAS NOT AFFECTED BILATERAL POLITICAL, MILITARY AND INTELLIGENCE TIES. THE WHITE HOUSE, WHILE TENDING TO AGREE WITH FBI DIRECTOR WILLIAM WEBSTER'S REMARKS TO THE NEW YORK TIMES, HAS DECIDED TO KEEP OUT OF THE INVESTIGATION AND TO WAIT UNTIL IT IS COMPLETED BEFORE STARTING TO SPECULATE ON WHERE IT MIGHT LEAD TO .... HOWEVER, THE FACT THAT RAFI EITAN AND AIR FORCE COLONEL SELLA HAVE ALREADY BEEN ASSIGNED TO NEW AND IMPORTANT JOBS IS VIEWED BY SECRETARY SHULTZ (AND OTHERS) AS AN OFFICIAL PAT ON THE BACK FOR THEIR WORK IN THE POLLARD AFFAIR .... POLLARD'S REVELATIONS AND PUBLIC PRESSURE MIGHT FORCE THE STATE DEPARTMENT TO SENT THE SOFAER TEAM BACK TO ISRAEL, IN ORDER TO QUESTION SELLA AND RE-QUESTION EITAN AND OTHERS."

2. THE LAVI WARPLANE CONTROVERSY:

I. MILITARY CORRESPONDENTS JUNE 9 CITED ISRAELI DEFENSE SOURCES THAT, FOR ECONOMIC REASONS, THE U.S. HAS OR IS ABOUT TO WRITE OFF THE LAVI PROJECT AND THAT IT WILL OFFER ISRAEL THE CHOICE OF DROPPING IT IN FAVOR OF AN AMERICAN WARPLANE, SUCH AS THE CHEAPER, READILY AVAILABLE F-16 OR THE F-20, INTO WHICH THE LAVI'S ADVANCED TECHNOLOGY COULD BE GRAFTED.

II. A JERUSALEM POST EDITORIAL SPECULATED (JUNE 8) THAT "THE LETTER FROM SECRETARY SHULTZ TO PM PERES ... AND A SIMILAR LETTER FROM DEFENSE SECRETARY WEINBERGER TO DEFENSE MINISTER RABIN SIGNALS QUITE BLUNTLY THAT THE ISSUE IS NO LONGER TECHNICAL, IF IT EVER WAS. IT IS A POLITICAL ISSUE OF THE FIRST ORDER ... OVER THE SIZE AND SCOPE OF U.S. AID. THE REAL QUESTION WOULD SEEM TO BE NOT ONLY HOW MUCH OF ISRAEL'S DEFENSE THE U.S. WILL COMMIT ITSELF TO SUPPORT, BUT ALSO WHAT WEAPONS SYSTEMS THESE WILL BE, AND WHERE THEY WILL BE DESIGNED AND PRODUCED."

J.S.-SAUDI MISSILE DEAL:

I. TEL AVIV UNIVERSITY SCHOLAR DR. SHAI FELDMAN TOLD YEDIOT ON JUNE 8 THAT "THE SENATE'S 66:34 VOTE COULD BE SEEN AS A VICTORY OF SORTS FOR ISRAEL'S SUPPORTERS, BUT IT SHOULD NOT BE BLOWN OUT OF PROPORTIONS. PRESIDENT REAGAN DID NOT PUT ALL HE HAD INTO THE BATTLE, AS HE DID IN THE AWACS VOTE. FOR ONE THING, HE REALIZED THAT THE U.S. WAS RIDING HIGH AN ANTI-ARAB WAVE IN GENERAL AND AN ANTI-SAUDI WAVE IN PARTICULAR, BECAUSE OF RIYADH'S CONDEMNATION OF THE U.S. ATTACK ON LIBYA, AND THAT IN THIS STATE OF AFFAIRS HE COULD NOT HAVE IT HIS

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WAY. THE FINAL DEAL, SCALED DOWN FROM 1.1. BILLION DOLLARS TO 256 MILLION DOLLARS WAS A VIABLE COMPROMISE."

4. ISRAELI-EGYPTIAN TABA NEGOTIATIONS:

END OF MESSAGE

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STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P, P/FW, P/FN, P/M, HA.

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I. ISRAEL RADIO POLITICAL CORRESPONDENT ODED BEN-AMI SAID JUNE 9 THAT "ACCORDING TO AMERICAN SOURCES, EGYPT IS NO LONGER DETERMINED TO HAVE THE TABA DISPUTE SETTLED THROUGH ARBITRATION. CAIRO HAS COME ROUND TO PREFERRING SOME SORT OF CONCILIATION TO PRECEDE ARBITRATION, BECAUSE IT FEARS THAT THE ARBITRATORS, WHOSE VERDICT IS FINAL, MIGHT LEAVE TABA IN ISRAEL'S HANDS. THE EGYPTIANS HAVE THEREFORE ASKED WASHINGTON TO DEVISE AN APPEALABLE PROCESS, THEREBY DEMONSTRATING THAT THEY DO NOT FEEL THAT THEY HAVE A VERY STRONG CASE."

5. WALDHEIM ELECTED AUSTRIA'S PRESIDENT:

I. ISRAEL RADIO REPORTED AT MID-MORNING THAT THE GOI HAS DECIDED TO RECALL ITS AMBASSADOR IN VIENNA FOR CONSULTATIONS, IN PROTEST AGAINST WALDHEIM'S ELECTION. THE FOREIGN MINISTRY ISSUED AN ANNOUNCEMENT SAYING THAT ALTHOUGH THE ELECTION CAME AS NO SURPRISE, UNTIL THE LAST MOMENT WE HOPED THAT REASON WOULD PREVAIL AMONG THE AUSTRIAN PEOPLE AND THAT A MAN WITH A PAST LIKE WALDHEIM'S WOULD NOT BE ELECTED PRESIDENT."

II. YEDIOT CORRESPONDENT IN VIENNA MICHAEL RECHTMAN CITED **KURT WALDHEIM** AS SAYING AFTER THE ELECTIONS THAT "I WILL DO ALL I CAN TO MAINTAIN GOOD RELATIONS WITH ISRAEL, DESPITE THE SEVERE ATTACKS AGAINST ME."

III. HA'ARETZ CORRESPONDENT GIDEON ALON WROTE: "PM PERES AND FOREIGN MINISTER SHAMIR ARE DIVIDED ON HOW ISRAEL SHOULD REACT TO WALDHEIM'S ELECTION. SHAMIR URGES A SHARP REACTION WHILE PERES TAKES A MORE MODERATE STANCE. SENIOR OFFICIALS STRESSED THAT CUTTING OFF DIPLOMATIC TIES WITH AUSTRIA IS NOT UNDER CONSIDERATION."

IV. MA'ARIV CORRESPONDENT RAPHAEL MANN WROTE THAT "THE U.S. DEPARTMENT OF JUSTICE YESTERDAY ANNOUNCED THAT IT WON'T BAR **KURT WALDHEIM** FROM ENTERING THE U.S." DAVAR WASHINGTON CORRESPONDENT AMIR OREN SAID: "THE REAGAN ADMINISTRATION WILL TODAY ISSUE ITS REACTION TO **KURT WALDHEIM'S** ELECTION. THE STATE DEPARTMENT SPOKESMAN

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YESTERDAY DECLINED TO REACT TO THE VOTE, ALSO REFUSING TO SAY WHETHER THE DEPARTMENT OF JUSTICE HAS TAKEN A DECISION REGARDING WALDHEIM'S RIGHT OF ENTRY TO THE U.S."

V. YEDIOT EDITORIAL SAID: "OUR PROBLEM IS HOW TO AVOID TIES WITH THE NEW AUSTRIAN PRESIDENT WITHOUT HURTING OUR OWN INTERESTS, THE FIRST AND FOREMOST OF WHICH IS THE PASSAGE OF SOVIET JEWISH EMIGRANTS THROUGH AUSTRIA. OUR PRESIDENT SHOULD THEREFORE NOT CONGRATULATE WALDHEIM, AND OUR GOVERNMENT SHOULD ANNOUNCE ITS  
END OF MESSAGE UNCLASSIFIED

\*\*\*<<<<< SECTION 7 >>>>>\*\*\*

STATE FOR NEA; INR, SP, PM; FOR P/RC, P/F, P/P, P/FW, P/FN, P/M, HA.

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STATE FOR NEA/IAI WILCOX, NEA/P AUSTRIAN.

E.O. 12356: N/A

SUBJECT: MEDIA REACTION/PRESS REVIEW, JUNE 8, 9, 1986 IRRITATION. BUT JERUSALEM MUST NOT GIVE IN TO HOT-HEADED DEMANDS TO SEVER ITS TIES WITH VIENNA. THIS KIND OF STEP WILL HURT ISRAEL MORE THAN IT WILL AUSTRIA."

VI. MAARIV EDITORIAL SAID: "THE CIVILIZED NATIONS SHOULD MAKE THE AUSTRIANS ACKNOWLEDGE THEIR TRAGIC MISTAKE. AS LONG AS AN OFFICER IN THE NAZI ARMY IS THEIR PRESIDENT, AUSTRIA SHOULD NOT BE A PART OF THE COMMUNITY OF FREE NATIONS. AS FOR ISRAEL - IT HAS A HEAVIER ACCOUNT TO SETTLE WITH TODAY'S AUSTRIA THAN THE REST OF THE WORLD, AND SHOULD TREAT THE MATTER WITH ALL DUE SEVERENESS."

VII. JERUSALEM POST EDITORIAL SAID: "PEOPLE ELECT THE LEADERS THEY DESERVE AND YESTERDAY'S DECISION OF THE AUSTRIAN PEOPLE TO HAVE **KURT WALDHEIM** AS THEIR PRESIDENT IS NO EXCEPTION. WALDHEIM'S CLEAR-CUT VICTORY ... IS CERTAINLY A TRUE REFLECTION OF AUSTRIA'S NATIONAL MOOD TODAY ... IN DECIDING WHAT STEPS TO TAKE IN THE WAKE OF WALDHEIM'S ELECTION, THE GOVERNMENT ... SHOULD HEED PRESIDENT CHAIM HERZOG'S ADVICE AND NOT RUSH INTO MOVES WHICH IN THE LONG RUN MIGHT HURT ISRAEL'S VITAL INTERESTS."

MINIMIZE CONSIDERED FOR BEIRUT. BERGER

END OF MESSAGE

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