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C O N F I D E N T I A L NOFORN

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CONTROLS

TEXT

SUBJ: ISRAEL: REACTION TO WALDHEIM'S ELECTION. (U)

DOI: 10 JUN 86 (AS OF 1639 EDT)

TEXT: 1. (C/NF) ISRAEL HAS RECALLED ITS ANBASSADOR TO AUSTRIA IN RESPONSE TO KURT WALDHEIM'S ELECTION AS AUSTRIA4 PRESIDENT AND WILL PROBABLY NOT NAME A REPLACEMENT WHEN THE ENVOY'S TERM EXPIRES.

2. (C/NF) EXPRESSING "DEEP SORROW AND DISAPPOINTMENT" AT THE ELECTION OF FORNER UN SECRETARY GENERAL WALDHEIN, ISRAEL RECALLED AMBASSADOR NICHAEL ELITZUR FROM VIENNA ON 9 JUNE FOR -CONSULTATIONS .= WALDHEIM, WHO HAS ADMITTED BEING LESS THAN CANDID ABOUT HIS ACTIVITIES IN WORLD WAR II, HAS BEEN ACCUSED OF

COMPLICITY IN WAR CRIMES WHILE IN GERMAN SERVICE IN THE BALKANS. PROMPTED BY STRONG PUBLIC FEELING ON THE ISSUE, ELEMENTS OF THE ISRAELI PRESS HAVE URGED THAT DIPLOMATIC RELATIONS WITH AUSTRIA BE SEVERED. ISRAELI BUSINESSMEN AND TOURISTS HAVE CANCELED TRIPS TO AUSTRIA, AND A BOYCOTT OF AUSTRIAN GOODS HAS BEEN SUGGESTED. MOREOVER, THE GOVERNMENT IS UNDER STRONG PARLIAMENTARY PRESSURE NOT

TO NAME A NEW AMBASSADOR TO AUSTRIA WHEN THE CURRENT ENVOY'S TERN EXPIRES IN LESS THAN 2 MONTHS.

3. (C/NF) COMMENT: FOREIGN MINISTRY SOURCES HAVE INDICATED THE FINAL DECISION ON ISRAEL'S RESPONSE WILL BE MADE DURING A MEETING BETWEEN PRIME MINISTER PERES AND VICE PRIME MINISTER/FOREIGN MINISTER SHAMIR LATER THIS WEEK. ALTHOUGH PUBLIC OUTCRY WILL INFLUENCE THE GOVERNMENT'S COURSE AND THE ISRAELI LEADERSHIP IS

OUTRAGED AT THE ELECTION RESULTS, THE GOVERNMENT WILL BE GUIDED BY

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3 B 2 B NAZI WAR CRIMES DISCLOSURE ACT DATE 2001 2007

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A CAREFULLY REASONED APPRAISAL OF ISRAEL'S INTERESTS. NEITHER THE SEVERANCE OF DIPLONATIC TIES NOR A RETURN TO BUSINESS AS USUAL IS AN OPTION UNDER CONSIDERATION. AUSTRIA IS IMPORTA4T TO ISRAEL AS A MAJOR TRANSIT POINT FOR SOVIET JEWS AND AS A KEY MEDIATOR 03 03 RR CCCC

IN PRISONER EXCHANGES WITH PALESTINIAN GUERRILLA ORGANIZATIONS. MOREOVER, THE ISRAELIS ARE RELUCTANT TO SEVER RELATIONS WITH ANY STATE.

4. (C/NF) ISRAEL WILL PROBABLY NOT APPOINT A NEW AMBASSADOR BUT WILL MAINTAIN REPRESENTATION AT A LOWER LEVEL. A NEW AMBASSADOR WOULD HAVE TO PRESENT HIS CREDENTIALS TO THE AUSTRIAN PRESIDENT, A DISTASTEFUL PROSPECT. WALDHEIM DOES NOT ASSUME HIS POST UNTIL NEXT MONTH, HOWEVER, AND THE ISRAELIS CAN BE EXPECTED TO ACCELERATE THEIR INVESTIGATION OF HIS WARTINE ACTIVITIES DURING THE INTERIM.

ADMIN

PREP: MR B. HARDCASTLE, JSI-5A, 695-2505; DISTS 960-3171; KY 2574

DECL: OADR

END OF MESSAGE

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