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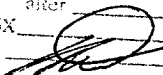
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TEXT

TAGS: PGOV, AU
SUBJECT: KREISKY'S REVENGE: WHO STABBED WALDHEIM
IN THE BACK?

REF: VIENNA 9699

1. (U) SUMMARY: WHO IN AUSTRIA STARTED THE CAMPAIGN AGAINST
KURT WALDHEIM AND WHEN DID HE START IT? COMMENTS IN THE
LAST FEW DAYS BY FORMER SOCIALIST (SPO) CHANCELLOR BRUNO
KREISKY HAVE PUT THIS QUESTION DRAMATICALLY INTO THE
HEADLINES HERE. IN AN AUGUST 7 INTERVIEW GIVEN TO THE
SWISS "SCHWEIZERISCHES HANDELSBLATT", KREISKY ALLEGED
THAT THEN CHANCELLOR SINOWATZ (ONCE A KREISKY PROTEGE)
HAD FURNISHED DOCUMENTS REGARDING WALDHEIM'S PAST TO TWO
AMERICAN JOURNALISTS. THIS CHARGE HAS RECEIVED BACKING
WITH A STATEMENT BY AMERICAN NEWSMAN JAMES DORSEY

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(PREVIOUSLY UPI, NOW "WASHINGTON TIMES") THAT HE WAS OFFERED DOCUMENTS ON WALDHEIM BY A SINOWATZ AIDE AS EARLY AS SEPTEMBER 1985. SINOWATZ, ALREADY INVOLVED IN A LAW-SUIT OVER WHETHER HE HAD PLOTTED TO SMEAR WALDHEIM, DENIES "EVERYTHING" BUT ADMITS THE SPO KNEW ABOUT WALDHEIM'S MEMBERSHIP IN AN SA RIDING CLUB.

2. (U) THE PEOPLE'S PARTY (OVP) -- ON WHOSE TICKET WALDHEIM RAN -- IS NOW CLAIMING TO HAVE FOUND THE SMOKING GUN. THE PROBLEM IS THAT SINOWATZ IS PARTY CHAIRMAN OF THE OVP'S SENIOR COALITION PARTNER. THE SOCIALISTS, INCLUDING CHANCELLOR VRANITZKY, HAVE RALLIED TO SINOWATZ' DEFENSE. IN THESE CIRCUMSTANCES KREISKY'S MISCHIEF-MAKING AND DORSEY'S CHARGE ARE ANOTHER WEDGE IN THE OFTEN PAPERED-OVER BUT STILL GAPING RIFT BETWEEN THE SPO AND THE OVP OVER THE AUSTRIAN PRESIDENT. WILL THE WALDHEIM AFFAIR, HITHERTO PAINTED BY THE OVP AS PRIMARILY AN ISSUE BETWEEN AUSTRIA AND ILLEGITIMATE FOREIGN INTERLOPERS (I.E. THE U.S AND THE WORLD JEWISH CONGRESS), NOW TAKE ON THE CHARACTER OF A DOMESTIC POLITICAL DONNYBROOK? END SUMMARY.

3. (U) IN AN INTERVIEW PUBLISHED AUGUST 7 KREISKY WAS ASKED BY SWISS JOURNALIST ALFONS MATT HOW DOCUMENTS CONCERNING WALDHEIM'S PAST GOT TO THE U.S. THE ANSWER -- WHICH IS ALSO THE CRUCIAL PASSAGE OF THE INTERVIEW -- READS AS FOLLOWS: "AN AMERICAN JOURNALIST TOLD ME (KREISKY) DURING A CHANCE MEETING ABROAD THAT A SO-CALLED 'ADVISER' OF THE PARTY CHAIRMAN (SINOWATZ) HAD OFFERED HIM (THE JOURNALIST) MATERIAL AGAINST WALDHEIM FOR PUBLICATION WHICH, HOWEVER, HE REFUSED. SOME TIME LATER I MET ANOTHER US-JOURNALIST IN VIENNA WHO HAD RECEIVED THE DOCUMENTS FROM 'SOMEONE ELSE'. HE DID NOT MENTION A NAME BUT FOR ME IT WAS CLEAR WHERE THEY ORIGINATED FROM."

4. (U) THE OVP, ON THE BASIS OF THESE LINES, HAS CONCLUDED THAT THERE IS NOW CLEAR EVIDENCE THAT THE "WALDHEIM CAMPAIGN" WAS INITIATED BY THE SPO, SPECIFICALLY BY SINOWATZ. BUT KREISKY, IN AN APPARENT RETRACTION OF THE THRUST OF HIS STATEMENT, HAS NOW MODIFIED HIS STAND, CLAIMING HE "WAS NOT REFERRING TO SINOWATZ". SINOWATZ, FOR HIS PART, HAS DENIED HANDING OVER DOCUMENTS TO AN AMERICAN JOURNALIST.

5. (U) AMERICAN JOURNALIST JAMES DORSEY, ON THE OTHER HAND, HAS SAID SINOWATZ' CHEF DE CABINET HANS PUSCH OFFERED HIM DOCUMENTS ON WALDHEIM AS EARLY AS SEPTEMBER 1985. SINCE PUSCH WOULD NOT ALLOW DORSEY TO NAME HIM AS HIS SOURCE HE DECIDED NOT TO PUBLISH THE STORY, DORSEY HAS STATED. PUSCH, IN AN INTERVIEW GIVEN TO THE SOCIALIST DAILY "NEUE AZ", DENIES PROVIDING ANY WALDHEIM DOCUMENTS TO JOURNALISTS. SAYS HE, "I DID NOT EVEN KNOW AT THAT TIME THAT THERE EXISTED A UN ARCHIVE WITH A FOLDER ON WALDHEIM."

6. (U) A CRANKY BRUNO KREISKY, TO ALL APPEARANCES BENT

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ON TAKING REVENGE ON AN SPO THAT HAS REPUDIATED HIS
ADVICE IN THE LAST YEAR, POURED ADDITIONAL OIL ON THE
FIRE WHEN HE TOLD A JOURNALIST OF AN AUSTRIAN DAILY THAT
THE SPO LEADERSHIP HAD OBVIOUSLY TRIED TO HIDE MANY
THINGS FROM HIM. "APPARENTLY I WAS DELIBERATELY KEPT IN
THE DARK." HE ADDED THAT, IN ANY EVENT, IT IS WELL KNOWN
THAT, ONE, THE DOCUMENTS WERE IN THE HANDS OF THE SPO
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SUBJECT: KREISKY'S REVENGE: WHO STABBED WALDHEIM

BEFORE THEY WERE PUBLISHED BY THE PRESS AND, TWO, THAT
THESE DOCUMENTS WERE DISSEMINATED BY THE SPO. IN THIS
CONTEXT, KREISKY HAS EXPRESSED HIS DISTASTE FOR HANS
PUSCH: PUSCH'S DENIALS WERE HIS OWN BUSINESS BUT "I
WARNED THE PARTY ABOUT HIM LONG AGO."

7. (U) THE PRESENT CONTROVERSY IGNITED BY KREISKY
TOUCHES ON A HIGHLY SENSITIVE POINT OF CONTENTION
BETWEEN THE SPO AND THE OVP. AT THE MOMENT, THERE IS A
SLANDER TRIAL PENDING OVER SINOWATZ' DENIAL OF A STORY
BY OVP JOURNALIST ALFRED WORM IN WHICH THE LATTER
REPORTED SINOWATZ PROMISED SPO OFFICIALS AT A SUMMER
1985 MEETING OF THE BURGENLAND PROVINCE SPO THAT
WALDHEIM'S "BROWN PAST" WOULD BE AN ISSUE DURING THE
PRESIDENTIAL CAMPAIGN. OTTILIE MATYSEK (A FORMER HIGH
RANKING SPO POLITICIAN IN THE PROVINCE OF BURGENLAND)
WHO WAS PRESENT AT THE MEETING (AND WHO, IN HER SOON TO
BE PUBLISHED MEMOIRS, WILL TELL ALL ABOUT PROVINCIAL
PARTY INFIGHTING AND CORRUPTION) IS SUPPORTING WORM'S
ACCUSATION. HANS PUSCH WILL TESTIFY AT THE TRIAL. NOW
KREISKY HAS OFFERED TO DO SO AS WELL.

8. (C) COMMENT: SINCE REVEALING THE TRUTH ABOUT
WALDHEIM HAS APPARENTLY BECOME TANTAMOUNT TO LIBEL
HERE--AS DEMONSTRATED BY THE SINOWATZ COURT SUIT AND
THE RUSH OF DENIALS THAT HAS GREETED BOTH KREISKY'S
RECENT STATEMENTS AND MS. MATYSEK'S SOON-TO-BE-
PUBLISHED MEMOIRS--THE SPO OBVIOUSLY FEELS IT HAS
REASON TO BE DEFENSIVE ABOUT ITS PUTATIVE ROLE IN
BRINGING THE AUSTRIAN PRESIDENT'S PAST TO LIGHT. IF
NOTHING ELSE, THE STORM OF CONTROVERSY UNLEASHED BY
KREISKY OVER THE WEEKEND SHOWS HOW SUCCESSFUL THE OVP
DEFENDERS OF WALDHEIM HAVE BEEN SO FAR IN ESTABLISHING
HIS LEGITIMACY AND PAINTING HIS DETRACTORS AS NEAR-
TRAITORS TO THE NATION.

9. (C) BUT THERE ARE REAL, IF HIDDEN, LIMITS TO THE
BENEFITS THE OVP CAN DRAW FROM THE PRESENT AFFAIR. FOR
ONE THING, THE OVP HAS TO PONDER THE IMPACT ON THE
COALITION OF AN OPEN-ENDED POLITICAL OFFENSIVE AGAINST
SINOWATZ AND THE SPO ON THIS ISSUE. ALTHOUGH OUTGOING

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SPO VICE CHAIRPERSON JOLANTA OFFENBECK HAS CALLED ON SINOWATZ TO RESIGN, MOST OF THE PARTY LEADERSHIP HAS LINED UP BEHIND THE PARTY CHAIRMAN, AND CHANCELLOR VRANITZKY HAS POINTEDLY CRITICIZED KREISKY FOR HIS "IRRESPONSIBLE" STATEMENTS. FOR ANOTHER, AN EXTENSIVE EXAMINATION OF THE CASE ON ITS MERITS IS LIKELY TO FOCUS UNWANTED ATTENTION ON WHAT WALDHEIM ACTUALLY DID DURING THE WAR--A SUBJECT THE OVP HAS PREFERRED TO LEAVE BURIED IN PREFERENCE TO FOCUSING ATTENTION ON WALDHEIM'S (AND "AUSTRIA'S") DETRACTORS.

10. (C) NONETHELESS, THE CONTROVERSY HAS ALL THE POTENTIAL TO BECOME A PANDORA'S BOX FOR THE SPO AND THE COALITION. IT WILL MOST CERTAINLY BE TAKEN UP AT THE SPO CONGRESS IN OCTOBER AND IT WILL UNDOUBTEDLY HEAT UP THE ALREADY SIMMERING DISPUTE BETWEEN THE COALITION PARTIES OVER HOW TO COMMEMORATE THE 50TH ANNIVERSARY OF THE ANSCHLUSS NEXT MARCH. AS IT IS, THE VIENNA SPO HAS CALLED FOR WALDHEIM'S RESIGNATION AND THERE IS A STRONG ANTI-WALDHEIM UNDERCURRENT IN THE PARTY AS A WHOLE. IF IT TURNS OUT THAT SINOWATZ DID HAVE A ROLE IN EXPOSING WALDHEIM'S PAST, IT WILL FORCE THE SPO TO TAKE A STAND ON WHETHER HE DID IT AS A HERO OR A TRAITOR, AND IN SO DOING EITHER PROVOKE, IN THE FORMER CASE, A CRISIS IN THE COALITION, OR IN THE LATTER, A CRISIS IN THE PARTY.
LAUDER

ADMIN
END OF MESSAGE

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