## UNCLASSIFIED

DOCUMENT ID: 33453239

INQNO: DOC9D 00229062

DOCNO: TEL 007203 88

PRODUCER: VIENNA SOURCE: STATE DOCTYPE: IN

DOR: **19880620** TOR: 112521

DOCPREC: 0

ORIGDATE: 198806201423 MHFNO: 88 9317060

DOCCLASS: U

HEADER
OO RUEAIIB
ZNR UUUUU ZOC STATE ZZH
STU2752
OO RUEHC
DE RUFHVI #7203 1721424
ZNR UUUUU ZZH
O 201423Z JUN 88
FM AMEMBASSY VIENNA
TO RUEHFO/USINFO WASHDC IMMEDIATE
RUEHC/SECSTATE WASHDC IMMEDIATE 2861
RUEADWW/WHITEHOUSE WASHDC IMMEDIATE

CONTROLS UNCLAS VIENNA 07203

USIS

FOR P/P, P/FN, P/FW, EU-SCHLOEDER, VOA/BX

STATE FOR EUR/CE

WHITE HOUSE FOR NSC/WEUROPE

E.O. 12356: N/A

TEXT

SUBJECT: AUSTRIA MEDIA REACTION

1. ON JUNE 18, SEVERAL AUSTRIAN PAPERS RAN ARTICLES ON THE VERBELEN CASE. IN A FRONT PAGE COMMENTARY, EDITOR HANS RAUSCHER OF THE INDEPENDENT MASS-CIRCULATION DAILY "KURIER" (SATURDAY CIRC. 523,600) WRITES:

AMERICAN INTELLIGENCE SERVICES HAVE USED THE MOST REPULSIVE NAZI CRIMINALS AS (ANTI-COMMUNIST) AGENTS IN THE POST-WAR PERIOD. THIS WAS AN OBVIOUS BETRAYAL OF THE IDEALS AND WAR OBJECTIVES OF THE AMERICAN DEMOCRACY. HOWEVER, THE SELF-CLEANSING POWER OF THIS DEMOCRACY IS PROVED ONCE AGAIN BY THE FACT THAT A SPECIAL SECTION OF THE U.S. JUSTICE DEPARTMENT HAS NOW UNCOVERED THIS DISMAL AFFAIR (SOME ASPECTS OF WHICH WERE

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3B2B NAZI WAR CRIMES DISCLOSURE ACT DATE 2001 2007

NAZI WAR CRIMES DISCLOSURE ACT 2000

CIA HAS NO OBJECTION TO DECLASSIFICATION AND/OR RELEASE OF CIA INFORMATION IN THIS DOCUMENT

## UNCLASSIFIED

ALREADY KNOWN) AND PRODUCED A DETAILED DOCUMENTATION. TO BE EXACT, IT WAS THE SAME OFFICE WHICH PUT KURT WALDHEIM ON THE WATCH LIST.

ONE NOW HAS TO ASK: DO THESE DOUBTLESSLY SINCERE DEFENDERS OF AMERICAN DEMOCRACY REALIZE THE BITTER MOCKERY BEHIND IT? WALDHEIM IS OSTRACIZED BECAUSE OF HIS "PROXIMITY TO WAR CRIMES" -- AND THE WAR CRIMINALS WERE EMPLOYED BY THE INTELLIGENCE SERVICE?

- 2. ON JUNE 20, THE INDEPENDENT DAILY "DIE PRESSE" PUBLISHED A P. 3 ARTICLE ON THE TORONTO SUMMIT BY WASHINGTON CORRESPONDENT MONICA RIEDLER:
- ... EXPERTS DO NOT REGARD THE ANNUAL MEETINGS OF THE GOVERNMENT LEADERS OF THE SEVEN LEADING INDUSTRIAL NATIONS AS HIGHLY VALUABLE WHERE PROBLEM-SOLVING CAPACITY IS CONCERNED. THIS YEAR, EXPECTATIONS ARE EVEN LOWER...

THE CONTENTS OF THE COMMUNIQUE THAT WILL BE ISSUED AFTER THE WORLD ECONOMIC SUMMIT IN TORONTO IS FORESEEABLE: THERE WILL BE THE USUAL EMPHASIS ON COOPERATION, AS WELL AS GENERAL SUGGESTIONS CONCERNING PROBLEMS THAT HAVE BEEN WAITING FOR SOLUTIONS FOR SEVERAL YEARS, SUCH AS CURRENCY STABILITY, PROTECTIONISM, SUBSIDIES, WORLD TRADE IMBALANCES AND THIRD WORLD DEBT. ONE OF THE DEVELOPMENTS THE GOVERNMENT LEADERS WILL HAVE TO TAKE INTO ACCOUNT IS THE GROWING TENSION BETWEEN INCREASING INTERNATIONALISM ON THE ONE HAND AND GROWING NATIONALISM ON THE OTHER. THE U.S. IS DEPENDING MORE AND MORE ON FOREIGN CAPITAL TO COVER THE NATIONAL DEBT, BUT WHEN FOREIGNERS PURCHASE LAND OR ENTERPRISES, VOICES ARE RAISED AGAINST THE "SELLING OFF" OF THE COUNTRY...

ALL PARTICIPANTS WERE ANXIOUS LAST WEEK TO PREDICT SHEER HARMONY FOR THE MEETING, BUT THERE WERE INDICATIONS THAT MORE OR LESS CONTROVERSIAL DISCUSSIONS WOULD ARISE FROM AT LEAST TWO U.S. PROPOSALS. ONE IS REAGAN'S SUGGESTION ... TO GET RID OF AGRICULTURAL SUBSIDIES BY THE YEAR 2000; THE OTHER ISSUE IS THE PROPOSED RAW MATERIAL PRICE INDICATOR -- INCLUDING GOLD -- WHICH IS TO BE USED TO MEASURE INFLATIONARY TENDENCIES IN INDIVIDUAL COUNTRIES... O'CONNOR

ADMIN END OF MESSAGE

UNCLASSIFIED