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TEXT
TAGS: PINR, PREL, IS, US, AU
SUBJECT: MORE ON THE BLOCH CASE: SECOND "YEDIOT"
REPORT

1. FOLLOWING IS TEXT OF A SECOND ARTICLE TO APPEAR
IN "YEDIOT" CONCERNING THE BLOCH CASE. IT APPEARED
IN THE JULY 24 EDITION OF THE PAPER.

2. BEGIN TEXT:

"AUSTRIANS BLACKMAILED SPY BLOCH TO BLOCK WALDHEIM
INVESTIGATION"

BY TZADOK YEHEZKELI

THE WORLD JEWISH CONGRESS IS THIS MORNING PREPARING
TO DEMAND THAT THE U.S. STATE DEPARTMENT SHOULD HOLD
AN INQUIRY INTO WHETHER FELIX BLOCH, SUSPECTED OF
SPYING FOR THE SOVIET UNION, WAS NOT BLACKMAILED BY
THE AUSTRIAN FOREIGN MINISTER IN ORDER TO BLOCK THE
INVESTIGATION OF AUSTRIAN PRESIDENT **KURT WALDHEIM** FOR
WAR CRIMES - THIS WAS REVEALED TO "YEDIOT AHARONOT"
BY ALAN STEINBERG, DIRECTOR OF THE WORLD JEWISH
CONGRESS.

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CENTRAL INTELLIGENCE AGENCY
SOURCES METHODS EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
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NAZI WAR CRIMES DISCLOSURE ACT
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IT TRANSPIRES THAT BLOCH WAS "FOCUSED ON" BY THE WORLD JEWISH CONGRESS IN 1986, AT THE HEIGHT OF THE CAMPAIGN AGAINST WALDHEIM AND WHILE HE WAS SERVING AS NUMBER TWO IN THE U.S. EMBASSY IN AUSTRIA.

ACCORDING TO THE THEN U.S. AMBASSADOR, RON LAUDER, BLOCH HAD CONTACTS BEYOND WHAT WAS ACCEPTABLE WITH THOSE IN THE AUSTRIAN FOREIGN MINISTRY, AND ESPECIALLY WITH ALOIS MOCK, THE FOREIGN MINISTER, WHO HAD STUDIED WITH HIM IN THE PAST. HE SOMETIMES ACTED COUNTER TO THE POSITION OF THE U.S. STATE DEPARTMENT. THE PEAK WAS REACHED WHEN BLOCH ATTENDED WALDHEIM'S SWEARING-IN.

IT HAS ALSO BEEN LEARNED THAT BLOCH'S ATTORNEY ADVISED HIM NOT TO COOPERATE WITH HIS INVESTIGATORS AND TO REMAIN SILENT DURING THE INVESTIGATION. "IT IS VERY DIFFICULT TO OBTAIN EVIDENCE WHICH WILL SUFFICE TO TAKE OUT AN ARREST WARRANT AGAINST HIM," SAID A SENIOR OFFICIAL IN THE FBI'S COUNTER-ESPIONAGE BRANCH, WHICH IS HANDLING THE AFFAIR.

MEANWHILE, IT HAS BEEN PUT ABOUT THAT BLOCH SPIED FOR THE SOVIETS FOR MORE THAN 10 YEARS, NOT FIVE YEARS AS THE FBI THOUGHT AT FIRST. THEY ARE NOW TRYING TO ESTIMATE THE DAMAGE THAT BLOCH CAUSED WHILE SERVING AS NUMBER TWO IN THE VIENNA EMBASSY DURING THE YEARS 1982-87. THE EMBASSY IN VIENNA IS ONE OF THE MOST SENSITIVE POSTS FROM THE VIEWPOINT OF U.S. ESPIONAGE.

ONE HYPOTHESIS IS THAT BLOCH WAS THE ONE WHO TOLD THE SOVIETS IN 1986 THAT THE MARINE GUARD AT THE VIENNA EMBASSY HAD ADMITTED TO THE AMERICANS THAT HE HAD HELPED KGB AGENTS TO PENETRATE THE U.S. EMBASSY IN MOSCOW. THIS ALLOWED THE SOVIETS TO QUICKLY REMOVE THE LISTENING DEVICES THAT THEY HAD PLANTED IN THE EMBASSY. END TEXT.
REGARDS. BROWN

ADMIN
END OF MESSAGE

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