

UNCLASSIFIED

DOCUMENT_ID: 179751715
DOCNO: 006667
PRODUCER: VIENNA
SOURCE: STATE
DOCTYPE: IN
DOR: 19980805
TOR: 115955
DOCPREC: R
ORIGDATE: 199808051520
MHFNO: 98 2320328
DOCCLASS: U

HEADER

RR RUEAIIA
ZNR UUUUU ZOC STATE ZZH
MSI5021
RR RUEHC RUEHZL
DE RUEHVI #6667/01 2171520
ZNR UUUUU ZZH
R 051520Z AUG 98
FM AMEMBASSY VIENNA
TO RUEHC/SECSTATE WASHDC 7568
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUCNDT/USMISSION USUN NEW YORK 0310
RUEHTV/AMEMBASSY TEL AVIV 0157
BT

CONTROLS

UNCLAS VIENNA 006667

STATE FOR E, EUR/HEAC, AND EUR/AGS

SENSITIVE

E.O. 12958: N/A

TEXT

TAGS: PREL, PGOV, PHUM, KNAR, EFIN, AU
COMBINE: COMPLETE

SUBJECT: COMMISSION ON ARYANIZATION - MORE PROS AND CONS

REF: (A) VIENNA 6631, (B) VIENNA 6304 AND PREVIOUS

SENSITIVE BUT UNCLASSIFIED. PLEASE TREAT ACCORDINGLY.

SUMMARY

1. (U) THE DEBATE ON THE ESTABLISHMENT OF A COMMISSION TO EVALUATE ARYANIZATION AND RESTITUTION IN AUSTRIA HAS CONTINUED OVER THE PAST WEEKS WITH VARIOUS COMMENTS IN FAVOR, AS WELL AS SOME OPPOSITION, FROM WITHIN THE JEWISH COMMUNITY. GENERALLY, THE ARGUMENT IS MADE THAT THE GOA SHOULD ACT IN TIME TO AVOID A "SWISS SITUATION." CHANCELLOR KLIMA'S OFFICE HAS INDICATED A DECISION SHOULD BE TAKEN "IN THE COURSE OF THIS YEAR." MEANWHILE, THE CONTROVERSY OVER NAZI ASSETS IN SWITZERLAND HAS ALSO

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

TRIGGERED MEDIA REPORTING EXPRESSING SOME SYMPATHY WITH SWITZERLAND. END SUMMARY.

JEWISH COMMUNITY PRESIDENT'S VIEWS

2. (U) IN AN INTERVIEW PUBLISHED JULY 31 IN THE MASS-CIRCULATION DAILY "KURIER," JEWISH COMMUNITY PRESIDENT ARIEL MUZICANT REITERATED HIS CALL (REF B) FOR THE ESTABLISHMENT OF A COMMISSION TO EVALUATE ARYANIZATION AND RESTITUTION MEASURES IN AUSTRIA. HE REPEATED THAT AT STAKE WAS NOT RESTITUTION, BUT CREATION OF A "PUBLIC AWARENESS" ON THIS ISSUE. MOREOVER, HE URGED THAT THE GOVERNMENT BE PROACTIVE ON THIS TOPIC. MUZICANT CONCLUDED THAT A SITUATION SUCH AS THAT IN SWITZERLAND HAD TO BE AVOIDED. IF NOTHING HAPPENED WITHIN THE NEXT HALF YEAR, "AN INTERNATIONAL SYMPOSIUM ON THE SUBJECT COULD BE HELD IN VIENNA," WHICH WOULD CONCEIVABLY BE OF INTEREST TO "THE ENTIRE WORLD PRESS."

GOVERNMENT REACTION

3. (U) COMMENTING ON MUZICANT'S CALL, THE (SPO) CHANCELLOR'S PRESS SPOKESMAN STRESSED THAT A DECISION ON THE COMMISSION WOULD BE TAKEN "IN THE COURSE OF THIS YEAR." THE PROPOSAL WAS "INTERESTING" BUT STILL HAD TO BE EXAMINED FURTHER. SECOND PRESIDENT OF PARLIAMENT HEINRICH NEISSER (CONSERVATIVE PEOPLE'S PARTY/OVP) REACTED FAVORABLY, STRESSING THAT THE COMMISSION WOULD BE A "CREDIBLE SIGNAL TO THE WORLD ON HOW AUSTRIA SEES ITSELF." THE COMMISSION SHOULD THEREFORE, NEISSER AGREED, BE SET UP DURING AUSTRIA'S EU PRESIDENCY (WHICH ENDS DECMEBER 31). NEISSER SUGGESTED THAT THE COMMISSION SHOULD LIST AND EVALUATE ALL RESTITUTION AND COMPENSATION MEASURES, AND SHOULD ALSO DEVELOP A CONCEPT FOR THE HANDLING OF "OPEN QUESTIONS."

HISTORIANS

4. (U) OFFICIALS IN THE AUSTRIAN STATE ARCHIVES NOTE THAT TO DATE THEY HAVE LACKED THE RESOURCES TO ORGANIZE AND RESEARCH THE FILES ON ARYANIZATION IN AUSTRIA. OUT OF 1740 BOXES OF NATIONAL SOCIALIST FILES DOCUMENTING ARYANIZATION MEASURES IN EVERY DETAIL, ONLY 163 HAVE BEEN PROPERLY EXAMINED SO FAR. ACCORDING TO A STUDY BY THE VIENNA CHAMBER OF COMMERCE, THE VALUE OF ALL ARYANIZED PROPERTY AMOUNTS TO AS 80 BILLION (ABOUT USD 6 BILLION). IN VIENNA ALONE, SOME 60,000 APARTMENTS WERE ARYANIZED. BRIGITTE BAILER, A HISTORIAN AT THE DOCUMENTATION CENTER OF THE AUSTRIAN RESISTANCE MOVEMENT, TOLD "KURIER" THAT AUSTRIA WOULD BE "WELL ADVISED" TO CONFRONT THE TOPIC OF ARYANIZATION. BAILER VOICED DOUBTS, HOWEVER, OVER THE RESULTS THE COMMISSION MIGHT PRODUCE, ARGUING THAT IT WAS POSSIBLE, AFTER ALL, TO STEER THE RESULTS THROUGH THE SELECTION OF THE COMMISSION MEMBERS.

OPPOSITION

5. (U) SOME OPPOSITION TO THE COMMISSION HAS BEEN VOICED FROM WITHIN THE JEWISH COMMUNITY. IN AN INTERVIEW WITH THE CONSERVATIVE DAILY "DIE PRESSE" PUBLISHED JULY 24, LEON ZELMAN, HEAD OF THE "JEWISH WELCOME SERVICE," SAID THE ESTABLISHMENT OF THE COMMISSION WOULD "ONLY TRIGGER DISCUSSIONS ABOUT MONEY, BUT WILL NOT GO IN DEPTH ON THE ISSUE, AND WOULD NOT PROPERLY EXPLORE

UNCLASSIFIED

ITS BACKGROUND." ZELMAN ARGUED THAT THE COMMISSION WOULD TRIGGER "UNSOLVABLE" PROBLEMS IN CONNECTION WITH RESTITUTION, AND WOULD LEAD TO BITTER DEBATES OVER MATERIAL MATTERS, AS IN SWITZERLAND, WHEN THE FOCUS SHOULD INSTEAD BE ON EDUCATING THE PUBLIC ON THE HOLOCAUST AND ARYANIZATION.

6. (U) THE JULY 31 REPORT IN "KURIER" NOTED "NERVOUSNESS" IN THE JUSTICE MINISTRY OVER THE CURRENT DEBATE. OFFICIALS ARE REPORTED TO HAVE COMMENTED THAT LEGAL CLAIMS DATING BACK TO THE NATIONAL SOCIALIST ERA ARE ALL SUBJECT TO THE STATUTE OF LIMITATIONS. THEY REPORTEDLY ARGUE THAT THE GOVERNMENT "SHOULD NOT OPEN UP EVERYTHING ONCE AGAIN."

NAZI GOLD

7. (U) COMMENTING ON NEWLY-REPORTED CHARGES SURROUNDING THE AUSTRIAN CREDITANSTALT BANK'S INVOLVEMENT IN TRANSFERS OF NAZI GOLD (REF A), MUZICANT SAID THAT CASE PROVED THE NECESSITY FOR THE COMMISSION HE WAS PROPOSING. MUZICANT ALSO NOTED THAT FURTHER SUITS AGAINST AUSTRIA, AND AUSTRIAN ENTERPRISES, WERE CONCEIVABLE.

SWISS DEBATE

8. (U) THE DEBATE ON NAZI ASSETS IN SWITZERLAND HAS ALSO TRIGGERED ARTICLES EXPRESSING SOME SYMPATHY WITH SWITZERLAND. A JULY 22 EDITORIAL IN "DIE PRESSE" ALLUDED TO THE ("LOW") LEVEL OF THE DISPUTE, AND NOTED IT EVOKED REMINISCENCES OF THE NASTY MUTUAL ATTACKS LAUNCHED BY SUPPORTERS AND OPPONENTS OF FORMER PRESIDENT KURT WALDHEIM OVER HIS WARTIME PAST. THE EDITORIAL NOTES THAT SWITZERLAND HAS SET VARIOUS MEASURES -- AFTER SOME HESITATION -- WHICH SHOULD BE REGARDED AS A SOLID BASIS FOR THE COUNTRY'S CONFRONTATION OF THE NAZI ASSET ISSUE. THE SWISS OUTRAGE OVER SUBSEQUENT DEMANDS WITHIN THE U.S. FOR A BOYCOTT AND SANCTIONS, AND FOR A RENEGOTIATION OF THE 1946 WASHINGTON AGREEMENT, WAS THEREFORE "UNDERSTANDABLE."

COMMENT

9. (SBU) THE MOST RECENT COMMENTS ON THE ESTABLISHMENT OF A COMMISSION TO EVALUATE ARYANIZATION AND RESTITUTION IN AUSTRIA REFLECT JEWISH COMMUNITY PRESIDENT MUZICANT'S PURSUIT OF THE ISSUE IN A DIPLOMATIC, BUT PERSISTENT FASHION. MUZICANT'S SUGGESTION THAT AN INTERNATIONAL CONFERENCE COULD BE STAGED IN VIENNA IF THE GOVERNMENT DID NOT ACT SHOWS THAT BEHIND THE CONCILIATORY TONE OF HIS COMMENTS LIES DETERMINATION. HIS CALL FOR A COMMISSION PROBABLY REFLECTS THE MAJORITY VIEW IN THE JEWISH COMMUNITY, WHILE ZELMAN'S CRITICISM MAY BE MORE ILLUSTRATIVE OF HIS PERSONAL STYLE THAN OF SUBSTANTIVE DISAGREEMENT ON THE QUESTION OF THE COMMISSION. IN THE GOVERNMENT, THE REACTION SEEMS TO RANGE FROM A NONCOMMITTAL ATTITUDE AMONG SOME OVP OFFICIALS, SUCH AS PARLIAMENTARY FLOOR LEADER ANDREAS KHOL (REF), TO MORE FORTHCOMING POSITIONS FROM OTHER OVP REPRESENTATIVES, SUCH AS NEISSER OR EDUCATION MINISTER GEHRER -- AND FROM SPO OFFICIALS. THE GOA'S EVENTUAL OFFICIAL COMMITMENT TO ESTABLISHING A COMMISSION IS LIKELY, BUT COULD

UNCLASSIFIED

CONCEIVABLY STILL TAKE SOME TIME. SAVAGE

ADMIN
END OF MESSAGE

UNCLASSIFIED

UNCLASSIFIED

Page 4