

EXCLUSIVE TO THE JTA SPECIAL ANALYSIS REPORT ON BARBIE: HOW COMPLETE IS IT? By Charles Allen, Jr.

NEW YORK, Aug. 23 (JTA) -- The report released last week titled "Klaus Barbie and the United States Government" by Allan Ryan, Jr., outgoing director of the Justice Department's Office of Special Investigations (OSI), is in certain aspects an historic and remarkable document.

Yet, a close study of the 216-page report raises some disturbing questions in that it conspicuously fails to address itself to the issue, even after nearly 40 years of denial and cover-up, that Nazi war criminals and collaborators had found refuge -- and in numerous, provable instances, employment by government agencies -- in this country.

The report's historic value comes from the fact that it is the first official admission by the U.S. government that it had used and protected from prosecution by an ally -- in this case, France -- a wanted, notorious war criminal, Klaus Barbie, executioner of French Jews and resistance movement heroes during World War II.

The report's documentation consists of nearly 600 declassified Army, Central Intelligence Agency (CIA) and State Department intelligence materials covering the period 1947-1951 when the U.S. Army's Counter Intelligence Corps (CIC) in Europe knowingly used and protected Barbie. That the American government released such a body of evidence -- which is powerfully replete with self-damning, self-damaging revelations -- ultimately redounds to the credit of both Ryan and the Justice Department.

When Ryan said at a jammed press conference last Tuesday that "justice delayed is justice denied" is a basic democratic principle, he was invoking the best in American democracy and in himself as a thorough-going law enforcement professional.

Concern Over the General Premises

Of concern, therefore, are the broader, general premises which undergird the report rather than the more than a few factual and historic errors contained in it. Despite the crushing evidence that the report offers, showing the shameful duplicity of the CIC in both using Barbie and protecting him from French justice, Ryan concludes that it was perfectly "defensible" in 1947 to seek out, recruit and use Barbie. Ryan blames the then Cold War for such usage.

Barbie was sought out and recruited because it was believed that he could provide U.S. intelligence agencies with information about Soviet activity in Europe in the struggle against Soviet Communism. But from a practical view, Barbie provided no intelligence of worth about Soviet activity. His role in France was to hunt down, torture and exterminate the resistance movement and Jews. These were the only "Communists" about which Barbie was knowledgeable.

The Ryan report glides over this point of the qualitative level of the purported "value" which the CIC found in a Barbie. The "defectors" from the Soviet zone of occupied Germany and elsewhere in Eastern Europe -- who were also sought out and recruited like Barbie -- were actually large numbers of fascist collaborators; Iron Guardists from Rumania, Thunder Cross vigilantes from Latvia, Ukrainian pogromists of the proscribed Organization of Ukrainian Nation-

alists (OUN) barred from the benefits of the International Refugees Organization (IRO) immediately after World War II, and from other similar organizations who fled Westward.

Lists Showed Barbie Was A War Criminal

Ryan, in his report, asks if the American intelligence officers who hired Barbie in 1947 really knew who he was. His name was "not generally known" at that time and did not become "known" until later, the report insists. Therefore, by inference, these officers can be excused on the grounds of ignorance.

The report itself shows that lists compiled as early as the summer of 1945 counted Barbie among the wanted war criminals. There was CROWCASS (Central Registry of War Criminals and Security Suspects), an American listing of wanted Nazis, the United Nations War Crimes Commission, and other lists. More importantly, the individual listings of the Grand Alliance (Holland, Belgium and the Soviet Union) also identified Barbie as a war criminal.

An analysis of the report's text shows that some 46 percent of its data base was given to the Justice Department by the French. The single most inclusive documentation on Barbie in Lyon where he was gestapo chief, originated with the French resistance. Yet, the Ryan report does not contain a single reference to this source which is enormously rich and precise in its detail.

Compounding An Omission

Moreover, to compound this basic omission, the report totally fails to put the role of Barbie, the gestapo and Lyon within the German occupation of France and the treasonous Vichy government with which the U.S. maintained diplomatic contact and gave sympathetic support during the larger part of Barbie's murderous activities in Lyon.

It is important to recall that Lyon was under the Vichy government which continued to administer southern France after the Nazis occupied the north until early 1942 when the Nazis installed their own military-political apparatus in the south as well. Barbie was sent into Lyon, which was the acknowledged capital of the resistance movement, in 1942 and for the next two years he was responsible for the execution of some 4,000 people and the deportation of 7,000 more, most of whom never returned from the death camps in Eastern Europe.

It is small wonder, therefore, that the intelligence analysis of Barbie's role and the now-admitted post-war American utilization of Barbie fails to consider a crucial pattern in the fabric of history: were Barbie's post-war activities a continuation by other means to exterminate the remnants of the French resistance movement?

CIC, Dragonovich Relationship Documented

Another, explosively vital documentation in the Ryan report is the relationship between the CIC and one Padre (actually Monsignor) Krunoslav Dragonovich who is described in the report as the "operator" of a "sort of underground railroad, dubbed (by the CIC) a 'rat line' that ran from Austria to Italy where it relied on a Croatian priest (Dragonovich) ... attached to a seminary in Rome where Croatian youths studied for the priesthood."

Additionally, the report notes that "Dragonovich used this base to operate an escape service for Croatian nationalists fleeing from the Yugoslav authorities."

Moreover, the CIC itself, the report says, "was under no illusions" about the priest: "'Dragonovich is known and recorded as a fascist, war criminal, etc.'" (The CIC stated in a top secret message) and his contacts with South American diplomats of a similar (fascist) class are not approved by U.S. State Department officials

Yet, the Ryan report continues, the "CIC saw advantage, however, in cloaking its 'visitors' with Displaced Persons status and in dealing with someone who had ties to the Catholic Church: '(W)e may be able to state, if forced,' (the CIC observed in 1950) that the turning over of a DP (Displaced Person) to a Welfare Organization (of the Vatican) falls in line with our democratic way of thinking and that we are not engaged in illegal disposition of war criminals, defectees and the like'."

It is further proven in the documents accompanying the Ryan report that Dragonovich charged anywhere from \$1,000 to \$1,400 for each "defectee" transported over the "rat line" he operated that clearly was the escape line for major war criminals, including Ante Pavelic and Andrija Artucovic of the Ustachi collaborationist "government" during the Nazi occupation of Yugoslavia 1941-44.

Artucovic has enjoyed refuge in the U.S. since 1948. He lives in affluence in Seal Beach, California. Recently, an Immigration and Naturalization Service (INS) judge barred his deportation from the U.S. Both the late Pavelic and Artucovic are charged with participation in the slaughter of more than 700,000 Serbians and Croats along with some 78,000 Jews.

Report Fails To Pursue The Matter

But even with this totally damning evidence of Vatican complicity in providing "benevolent protection" over its illegal escape routes for, among others, wanted Nazi war criminals, Ryan's report fails to pursue this matter. In fact, Dragonovich was Barbie's sponsor and secured his Bolivian visa for him.

When this writer first revealed (last February in a three-part series in the Daily News Bulletin) the details of the so-called La Vista report -- a 1947 "top secret" State Department investigation into the Vatican's monastery escape routes operative immediately after the war -- Ryan's office did not know of its existence and asked me for a copy. I referred him to the State Department. That agency "could not find" copies of the La Vista report, according to the Justice Department. I then sent the full text to the OSI for its use in the Barbie investigation.

However, there is not a word about the La Vista report -- officially titled "Illegal Emigration Movements In and Through Italy," authored by Vincent La Vista, an international lawyer then (1947) military attache to the American Embassy in Rome and a skilled intelligence/diplomatic State Department officer -- in the Ryan report.

My own disclosures coupled with the documents in Ryan's report establish conclusively that the "rat line" over which more than a few wanted Nazi war criminals escaped justice -- besides Barbie -- was in fact the very monastery routes operated illegally by some 22 different national clerics -- in addition to Dragonovich -- that, as the La Vista report found in 1947, "enjoyed the protection of the Vatican." Why is such a vital aspect of the Barbie matter missing?

Finally, another asserted premise of the Ryan report is the innocence of the CIA. Ryan takes particular pains to exonerate that agency of any role in the utilization of Barbie. "It is my conclusion," Ryan wrote, "that at no time from the end of World War

II to the present time has the Central Intelligence Agency had any relationship with Klaus Barbie." (The CIA was not operational until 1948.)

Yet, such an assertion fails to examine adequately the substantial evidence unearthed by Beate and Serge Klarsfeld in Paris that both French and West German intelligence sources are on record about such involvement; that the Interior Minister of Bolivia told ABC-TV's correspondent, John Martin, that there was CIA contact with Barbie during 1974-75; that substantial sources which I have reported alleged that Barbie was involved with the 1967 search for and killing of Che Guevara in Bolivia, an operation that had been widely associated with CIA involvement.

Instead, Ryan asserts in his report that the CIA allowed him to examine its files on Barbie. No doubt that Ryan and his associates did examine carefully what the CIA gave them. The question is, did the CIA provide all the data that it had on Barbie or just selected files? This aspect of the report is as disquieting as the other factual and historical omissions and evasions.

A connection between the CIA and Barbie is clearly established in CIC "top secret" reports in the documents provided by Ryan in his report. One George Neagoy, a CIC agent, had "sole responsibility" and "overall supervision and conduct" over the "rat line" that freed Barbie. Neagoy went directly from the CIC to the CIA not too long after accompanying Barbie to Italy.

Last month, on July 4, the BBC aired a television documentary naming Neagoy as "a CIA agent" who had figured in the Barbie case. Ryan specifically denies a relationship, a denial which does not stand up under a careful study of the original declassified documents accompanying Ryan's own report. These documents show to what purposes American intelligence agencies used Barbie. Necessarily, it had to include the CIA which picked up Barbie from the CIC in 1948. The CIA had absorbed the activities of the CIC as a "contact agent" for nearly three decades.

References To Other Organizations

There are frequent references in CIC and State Department documents accompanying the Ryan report referring to "BANDERA," "Ukrainian groups" and "Rumanian German ethnics" throughout the 1947-51 period when Barbie was used.

"BANDERA" refers to Stefan Bandera, a Ukrainian nationalist terrorist and anti-Semite. "Ukrainian groups" means, among others, the OUN (Organization of Ukrainian Nationalists), a proscribed fascist group that supplied much of the collaborators who helped implement the Nazis' "final solution."

"Rumanian German ethnic" means the leadership of the Iron Guard and the Green Shirts that figured in recent war criminals trials in the U.S. by the Justice Department. Archbishop Valerian Trifa, self-admitted war criminal who was ordered deported last December, who heads the Rumanian Orthodox Episcopate in the U.S., was a leader of the Iron Guard and the Green Shirts.

Barbie clearly was part of an elaborate organization of these remnant fascist elements to be used in the Cold War against the Soviet Union and Eastern Europe. By 1947 the CIC was feeding such elements as a subsidiary operation into the so-called Gehlen Organization. Its chief was the former Nazi intelligence director of Eastern Front sections, Gen. Reinhard Gehlen.

By 1948, the Gehlen Org, as it was known, was financed, operated and controlled by the CIA. Thus, by that date Barbie might well have been part of that intelligence strategy. But nowhere in the Ryan report is there a suggestion of this vital CIA connection. Instead, the report states that the CIC and, by implication, other agencies were concerned "almost exclusively" with Barbie's

"knowledge of post-war activities of ex-SS officers." The report neglects to determine what activities, but the documents themselves show what he was doing in large part. And it had to include the CIA in the view of the complex history and relationship between U.S. intelligence agencies and Barbie.

TAMI SECRETARIAT RECOMMENDS PARTY LEAVE THE GOVERNMENT

By Hugh Orgel

TEL AVIV, Aug. 23 (JTA) -- The secretariat of the Tami Party decided at a four-hour meeting here today to recommend to its central committee that the party leave the Cabinet and the government coalition.

Tami leader Aharon Uzan, who is also Labor and Social Affairs Minister, said there was only a "very small chance" that the Central Committee would overturn the secretariat's decision. He expressed anger over what he termed the Finance Ministry's insensitivity toward the poor, who are the main supporters of Tami which represents Israelis of North African origin. "If the Cabinet were to reconsider the economic measures it has taken, Tami might reconsider its departure," Uzan said. He was referring to a series of new taxes on consumer goods and the levying of a monthly education tax for school children. (See August 23 Bulletin.)

Uzan noted that theoretically the government could continue to rule without Tami's three Knesset votes, as it would still have a majority of the 120-member parliament. But among those 61 MKs there are at least two or three known to waver in their support for the Likud coalition, he added.

NEW ECONOMIC MEASURES MADE PUBLIC

By Gil Sedan

JERUSALEM, Aug. 23 (JTA) -- The government, after nearly two weeks of debate on budget cuts, finally made public today a list of new economic measures to balance the national budget, but most of them are still subject to approval by either the Knesset Finance Committee or the full Knesset.

Two of the major decisions are to cut back on government financing of political parties and to reverse an earlier decision to designate the October 25 municipal elections a national vacation day. Officials said the two decisions should be worth three to four billion Shekels -- equivalent to half the cuts this year in the Defense Ministry budget.

A number of other tentatively approved steps await Knesset action. One is abolition of allowances for births, unless the government can find another source of funds for this grant. Another is abolition of exemption from municipal taxes for Israelis in the armed forces.

Child allowances for the first two children in a family of up to three children will be taxable, except for low-income families. The fees for water will be updated at the same rate as those for electricity. Income earned abroad will be taxable at the same rate as local income. Income taxes on irregular earnings, such as writers' fees and payments to artists, will be raised from 40 percent to 45 percent.

But the Cabinet rejected a proposal by the Ministerial Finance Committee, where the initial proposals for budget changes are hammered out, to impose the value added tax (VAT) on fruits and vegetables.

The Treasury still wrestled today with efforts to trim another 20 to 25 billion Shekels from the forthcoming budget. The main stumbling block continued to be the education budget. The Ministers of Finance and Education failed to reach agreement on the budget for education, and they will meet for another try tomorrow. Education Minister Zevulun Hammer said that if no agreement is reached with Finance Minister Yoram Avidor by the end of the week, the issue will be brought to the next Cabinet meeting Sunday.

ARENS MEETS WITH WEST BANK NOTABLES

By Gil Sedan

BETHLEHEM, Aug. 23 (JTA) -- Defense Minister Moshe Arens made a first visit today to Mayor Elias Freij of Bethlehem and his councillors and ended what in effect has been a three-year boycott by Israeli leaders of Arab mayors in the occupied territories.

Arens was greeted on the steps of the large modern municipal building by Freij, in the second meeting in two days between the two men. They first met yesterday in Arens' office in Tel Aviv but that meeting was described by Freij as a "getting to know you" event whereas the meeting today was described as "a working visit."

The meeting between Arens and the Mayor and his councillors here lasted nearly an hour. The topics discussed were mainly local matters -- such as grants for rebuilding the local marketing, simplified processing of permits to cross bridges to Jordan and reunification of families and release of prisoners held by Israel for security reasons. Arens promised that most of the demands would be favorably reviewed.

But both Freij and Arens said the meeting was the start of a dialogue which would include political issues. Arens told reporters after the meeting that, "of course," he could not promise "that on those issues I will not have differences with the Mayor." He also commented that the meeting was proof "that Arabs and Jews should live peacefully in this part of the country."

Observers said the visit to Bethlehem could indicate a change in the attitude of Israeli authorities toward West Bank leaders. During the time Ariel Sharon was Defense Minister, there were few Israeli contacts with the urban leadership, with emphasis placed on the rural leadership, particularly in support of the pro-Israel Village Leagues. The new trend at the Defense Ministry is to revive dialogue with the urban leadership, which was flowering when the late Moshe Dayan was Defense Minister.

The observers said one initial result would be an extension of Israeli dialogue with pro-Jordan elements, such as Hikmat al Masri of Nablus, a former speaker of the Jordanian Parliament, who was also received yesterday by Arens.

The weakness of the new Defense Ministry's policy is that the pro-Jordan Palestinian Arab elements will not move politically without Hussein's approval. They rejected the Camp David accords, accepted by Israel, and accepted President Reagan's peace initiative, rejected by Israel.

In addition to meeting separately yesterday with Masri and Freij, Arens also met with Suleiman al Astal, the Mayor of Khan Yunis in the Gaza Strip. These meetings were described as the first in a series of contacts with representatives of the territories, contacts frozen since the war in Lebanon. But most observers felt that no immediate political fruits were likely to grow out of the meetings, a point made by Freij who said, after the meetings, "presently, there are no conditions for a political momentum."

HIGHLIGHTS OF THE YEAR 5743

By Kevin Freeman

(Part Seven Of A Series)

NEW YORK, Aug. 23 (JTA) -- Premier Menachem Begin continued to maintain control of Israeli government policies during the year 5743. With the exception of some minor changes in the Cabinet, the narrow majority held by the Likud coalition succeeded in defeating challenges to its authority from the Labor Alignment opposition.

But several issues tested the stability of the government. These include the triple digit inflation rate; the four-month doctors' strike; the near demise of the national airline, El Al; and the continued debate regarding Israel's involvement in Lebanon and the occupation of the West Bank and Gaza Strip.

Israel lost two leading figures during the year, Aliza Begin and Simcha Erlich, the leader of the Liberal Party. Israel celebrated its 35th anniversary.

INSIDE ISRAEL:
SEPTEMBER 1982 --

The Cabinet, after rejecting unconditionally President Reagan's peace initiative, decides to allocate \$18.5 million for the establishment of seven new settlements in the West Bank.

The Knesset, by a vote of 50-40, approves the government's conduct of the war in Lebanon.

Yitzhak Berman, of Likud's Liberal Party wing, resigns as Energy Minister, as does Menachem Milson, the head of the civil administration on the West Bank, both over the initial failure of the government to appoint a special commission of inquiry into the Shatila and Sabra refugee camps massacre.

An estimated 400,000 persons protest in Tel Aviv the massacre at Shatila and Sabra and the government's refusal (at that point) to launch a full independent investigation of the circumstances surrounding the massacre.

OCTOBER --

The Knesset endorses the government's foreign policy by a comfortable 56-50 majority, ending two days of debate during which Begin repeats his rejection of the Reagan peace initiative, makes it clear that he will never relinquish the West Bank and Gaza, and excoriates the opposition Labor Alignment for supporting a "Jordanian option."

Thousands of employees of Israel's national airline, El Al, shut down Ben Gurion Airport to protest the Cabinet decision, based on a recommendation from the El Al Board of Governors, to liquidate the airline unless employees agree to far-reaching concessions in labor-management relations.

Israel's Sephardic Chief Rabbi Ovadia Yosef rules that Bat Mitzvah celebrations (for girls reaching the age of 12) are as valid as Bar Mitzvahs for boys of 13, writing that both celebrations are "Seuda at Mitzva," religious feasts.

NOVEMBER --

Aliza Begin, the wife of Premier Menachem Begin, dies of heart failure at the age of 62. She is buried on the Mount of Olives.

Tens of thousands of people attend the funeral rites in Jerusalem for the Askenazic Chief Rabbi of the city, Rabbi Bezalel Zolli, who dies of a heart attack. He was 63 years old.

The government coalition leadership blocks presentation of the "Who is a Jew" amendment to the Law of Return in the Knesset, averting an immediate crisis over the bitterly controversial issue.

DECEMBER --

The Knesset's Economic Committee is informed by Michael Dekel, the Deputy Minister of Agriculture, that the number of Jewish settlers on the West Bank will triple over the next three years, bring the Jewish population in the territory to 75,000.

The 30th World Zionist Congress concludes with no consensus on the issue of government settlement policies in the occupied territories and with inter-party wrangling over the composition of the new WZO Executive. Leon Dulzin, who runs unopposed, is unanimously reelected chairman of the WZO Executive, which it is agreed, will be composed of 35 members.

A wave of vandalism and defacement directed at Ashkenazic Jews spreads in Jerusalem after police fatally shoot a 29-year-old Oriental Jew in a clash with residents of Kfar Salameh, a slum neighborhood in the southern part of the city.

Histadrut and the temporary receiver for El Al sign an agreement which includes far-reaching concessions to management, in an effort to save Israel's national air carrier from liquidation and allow it to eventually resume service.

Israel population at the end of 1982 is 4,055,000. This includes 12,000 residents on the Golan Heights, the first time that they have been counted as part of the total population. (Continued Tomorrow)

BEGIN MEETS WITH DOE

By Gil Sedan

JERUSALEM, Aug. 23 (JTA) -- Premier Menachem Begin met today with Liberian President Samuel Doe and complimented him on the courage of his decision to renew diplomatic relations with Israel and to visit Jerusalem.

Doe, in turn, promised to do everything in his power to influence other Black African heads of state to renew diplomatic ties with Israel. He said Liberia was ready to undertake efforts to help bring about peace in the Middle East. Later in the day, Doe watched an Israel Defense Force exercise and was hosted by Chief of Staff Gen. Moshe Levy.

At a meeting between Doe and Foreign Minister Yitzhak Shamir agreement was reached for Israel to send a team of eye specialists to Liberia, set up a Liberian shipping line and a chain of supermarkets. It was also announced that Israel was sending a team of agricultural experts to Liberia immediately to survey the country's farming problems. Doe reportedly also asked Israel to help convince American Jews to invest in Liberia.

Doe's four-day state visit to Israel, which began yesterday, is the first in 12 years by a Black African leader. In 1971 the leaders of Zaire, Nigeria, Cameroon and Senegal came together in Israel. After the Yom Kippur War in 1973, Black African countries severed their ties with the Jewish State under Arab pressure. Zaire renewed its ties last May. Only Malawi, Lesotho and Swaziland, have maintained formal relations with Israel.

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TEL AVIV (JTA) -- The Israel Defense Force pullback from the Shouf mountain area and the main Beirut-Damascus highway will begin Sunday and be completed by the eve of Rosh Hashanah on September 7, according to reports from Beirut. But Israeli army spokesmen declined to comment on the report, saying that the date of the IDF pullback will be published "in due time."