

**TURMOIL IN AUSTRIA OVER RECEPTION FOR RETURNED NAZI WAR CRIMINAL****WORST POLITICAL STORM IN AUSTRIA'S RECENT HISTORY**

By Reinhard Engel

VIENNA, Jan. 27 (JTA) — The return to his native country of Austrian-born Nazi war criminal Walter Reder last Thursday following his release from an Italian prison after nearly 40 years' incarceration has touched off the worst political storm in Austria's recent history.

But it is Defense Minister Friedhelm Frischenschlager who is at the center of the turmoil for personally greeting the 69-year-old former SS officer with military honors when he landed on Austrian soil, extending to him what seemed almost a hero's welcome.

Frischenschlager's action has been repudiated by most of his fellow ministers in the Socialist-led coalition government and fiercely condemned by parties across the political spectrum, including members of the Defense Minister's own conservative faction; by organizations of Nazi victims, Jewish and non-Jewish; and by the Jewish community among others. His immediate resignation or dismissal has been demanded.

**Welcome Called A 'Grave Mistake'**

Chancellor Fred Sinowatz, leader of the ruling Socialist Party, called Frischenschlager's welcome of Reder a "grave mistake" in a statement Friday. He said the Defense Minister had not informed him of his intention to greet Reder and has demanded a detailed report.

Reder, a former SS Obersturmbannführer — the equivalent of Major — was responsible for the mass murder of civilians in Nazi-occupied Italy in 1944. An Italian court sentenced him to life imprisonment in 1954. In 1980, another court reduced his sentence and Reder was to have completed it on July 15, 1985.

**Austria Sought Reder's Early Release**

Ironically, it was the Austrian government authorities who petitioned the Italian government for the early release of Reder — six months before expiration of his sentence — on humanitarian grounds. The Austrian request generated intense controversy in Italy where 40 years ago Reder led the massacre of 1,830 men, women and children in the north Italian village of Marzabotto in retaliation for partisan attacks on German troops.

But the Italians acceded. Prime Minister Bettino Craxi granted a pardon to Reder shortly after a public assembly in Marzabotto voted 231-1 against clemency. The vote was not binding. Craxi stressed humanitarian reasons, saying the remembrance of the massacre "does not need an old man locked into a fort in order to stay live in our hearts."

Reder, reportedly in poor health, was held in the prison fortress of Gaeta in southern Italy. Last Thursday he was flown in an Italian military aircraft to Graz, Austria. There, according to the international rules governing prisoners of war, he was handed over to Austrian military authorities.

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**WJCONGRESS BOARD EXPRESSES ANGER AT ACTION BY THE AUSTRIAN GOVERNMENT**

By Aviva Cantor

VIENNA, Jan. 27 (JTA) — The cloud hanging over the World Jewish Congress Governing Board meeting here — which formed and gathered strength after the news broke Friday about the reception given by the Austrian Defense Minister for released Nazi war criminal Walter Reder — broke last night as speakers at the opening session of the three-day conclave subjected the action, the Austrian government and Chancellor Fred Sinowatz to a shower of emotion-laden and often angry criticism.

Despite the anger felt and expressed by several speakers at the session and many delegates about the Austrian government's handling of the Reder affair, the WJC decided this morning to remain in Vienna and continue the meeting rather than pull out immediately as some delegates had demanded on Saturday afternoon. WJC president Edgar Bronfman said in a statement this morning that the Governing Board still awaits word from the Austrian government that "we're sorry."

Early this afternoon, Sinowatz, in a message to Bronfman, said, "I am personally profoundly sorry" about the Reder incident. Bronfman, addressing himself to Sinowatz in his speech last night, said that the delegates to the meeting were "devastated, to put it mildly, shocked, furious, angered" upon learning that Reder has received "what was tantamount to a hero's welcome" when met by Defense Minister Friedhelm Frischenschlager upon arriving in Austria from Italy.

**Bronfman Excoriates Austrian Government**

He told the audience of over 200 delegates and observers from 68 Jewish communities, as well as members of the diplomatic corp and other dignitaries packed into a hall in the historic Hofburg (Winter) Palace of the Austrian emperors:

"Reder represents all that was unspeakably evil about Nazism and the Austrian participation therein." The government, Bronfman said, has "undertaken to teach the young about the horrors" of the Nazi period. But what has happened with Reder could not be a "worse example." He asked Sinowatz, "How could Nazism be dead anywhere if such a disgusting display can take place?"

Bronfman inserted these remarks at the beginning of his speech after a heated discussion took place at the late Saturday afternoon session of the WJC Executive. At that meeting, Raya Jaglom of Israel, co-treasurer of the Governing Board, got up and demanded that WJC pull out immediately from Vienna in protest against the Reder affair.

A fevered debate ensued, with the Israeli and West European delegations generally in favor of considering action along these lines, and the Americans calling for moderation.

The compromise was that Bronfman address himself forcefully to the issue in his speech and that a decision would be made Sunday about the pull-out or other action, after the delegates had evaluated Sino-

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But, unexpectedly, Frischenschlager turned up in Graz to welcome Reder and shook his hand. He then flew with Reder, in an Austrian army helicopter, to the Martinek military barracks at Baden where he escorted the former Nazi to the officers club. As the storm raged, Reder was sequestered in a military hospital in Baden Bei Wein, outside Vienna.

#### Austrian Official Justifies His Action

Frischenschlager justified his action, saying he had been responsible for the transportation of Reder and had coordinated it with Foreign Minister Leopold Gratz, presently in Switzerland, said he had been informed by Frischenschlager of his intentions but that the Defense Minister claimed he was going to Graz in order to receive Reder quietly without the media or organization attention.

Ironically, the reception of the Nazi war criminal by a senior member of the Austrian government coincided with the three-day meeting in Vienna—January 26-28—of the Governing Board of the World Jewish Congress, the first gathering of world Jewish leaders in Austria since the end of World War II. (See separate story.)

#### Statements Of Protest

The umbrella organization of Jewish communities in Austria sent a letter of shocked protest to the government, demanding its total dissociation from the minister's actions and their implications. The Jewish community received the reports of Reder's reception "with consternation, lack of comprehension and great concern," the letter said.

It warned that Frischenschlager's action is bound to have a disastrous effect on Austrian youth.

The Austrian Community of Former Auschwitz inmates demanded the Defense Minister's resignation. Officials of the group said at a press conference that such a man should not head a ministry which deals with young men. They cautioned against equating Frischenschlager with the Austrian officers corps where there are "many honest anti-fascists."

Sinowatz did not elaborate on his original statement. Neither he nor Vice Chancellor Norbert Steger, leader of the Defense Minister's party, were available for comment to the press today. Sinowatz had earlier welcomed Italy's pardon of Reder, saying that "the ability to forgive earns respect" and that "this act of grace from the Italian side should not be interpreted as an attempt to play down the cruel and inhuman crimes committed by the SS."

Sinowatz had been one of the petitioners for Reder's early release, as was his immediate predecessor, former Chancellor Bruno Kreisky, and Franz Cardinal Koenig, the Archbishop of Vienna.

#### Defense Minister's Action Criticized

Kreisky, who is Jewish, called Frischenschlager's action of welcoming Reder "incomprehensible" and said that while he was Chancellor, no minister could have taken such action without prior consultation. He said he was convinced Sinowatz knew nothing of Frischenschlager's intentions. He was critical, however, of Foreign Minister Gratz.

Kreisky said he had favored Reder's pardon because he preferred to avoid the possibility of his death behind prison walls which would make the former Nazi a martyr in certain circles. Alois Mock, chairman of the opposition Peoples Party, said he welcomed Reder's release as a humanitarian act but that was no reason for the Defense Minister to stage a "political show."

Two other Peoples Party spokesmen, Ludwig Steiner and Felix Ermacora, also justified the pardon but condemned the extension of military honors to the returning ex-Nazi as a "grave mistake" which will not enhance Austria's international reputation.

Erhard Busek, the conservative Deputy Mayor of Vienna, called Frischenschlager's action "hostile to democracy." He joined the demand for the defense chief's resignation.

Helene Partik-Pable, the parliamentary spokesperson for social affairs of Frischenschlager's party, the Freiheitliche Partei Oesterreichs (FPÖ), said she did not know the circumstances but she herself would not have acted like her comrade.

Nevertheless, several prominent FPÖ politicians and regional branches of the FPÖ supported the Defense Minister. According to Joerg Haider, an FPÖ member of the Carinthia provincial government, Frischenschlager did not receive a criminal in Graz but a soldier who had done his duty for his country.

In sharp contrast, Josef Cap, a young Socialist elected to Parliament last year, said Frischenschlager had delivered a "slap in the face for all of those who either lost their lives or suffered hardship under the Nazi regime."

#### Giving The FPÖ A Political Boost

Some observers here are maintaining that Frischenschlager did not act on impulse but with cold calculation of the effects his greeting of Reder would have on his position in his own party. The FPÖ, a small partner in the Socialist-led coalition, has been losing ground rapidly in recent months. Its standing in public opinion polls has hit rock bottom.

The party is split between two factions, one liberal and the other consisting of diehard rightwingers and old Nazis. Frischenschlager has been regarded as leader of the FPÖ's liberal faction, but he needs support from the right. His move to welcome Reder was seen as a signal to them.

In fact, Frischenschlager appears to be playing both sides of the political fence. He angered the rightists by presiding over the swearing in of army recruits at the site of the former Mauthausen concentration camp. On the other hand, he was seen by reporters attending a reunion meeting of former SS men in Carinthia last year.

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waiz's speech at the opening session for the strength of his apologetic sentiments. Sinowatz was informed of the feelings of the delegates before the session began.

Sinowatz, who spoke after Bronfman, told the delegates, "The fact that this transfer (of Reder to Austria) made for personal contact between the Defense Minister and Reder was a grave political error." He had, he said, "distanced myself" from this action yesterday, and had asked the Defense Minister for a detailed report about the events. Sinowatz continued: "We should not draw conclusions from this isolated event. Austria is a country where human rights are respected, democracy functions, and people do believe in its viability." Austria, he continued, had played host to thousands of refugees and was willing to endure the difficulties and sacrifices this entails.

Sinowatz's remarks about the Reder case came about the half-way point in his speech. He devoted the first part to calling attention to the contributions of the Jews to Austria and especially Vienna — "much of what we have has been molded and linked with the Vienna Jewish community" — and added that the

poor, non-famous Jews as well, "should be remembered by us at this hour of remembrance." As Minister of Education, he said, he had devoted much time and energy to ensuring that school children learned about the fascist times. "We do not wish to snuff out those years as some would like to cross them out of their memories," he said.

"We want to educate our children so there will never again be persecution against men and women, for their race, religion, color ...." He also called for "vigilance" against fascism, "rearing its ugly head in different forms."

After Sinowatz sat down, Maurice Jaffe, president of the Union of Israel Synagogues, got up from the audience and stated he was surprised to hear the Reder case described as a "political error." Wasn't there, he asked, a "moral obligation to provide the Jewish people an explanation?"

#### Wants Government To Take Necessary Steps

Leon Dulzin, chairman of the World Zionist Organization, also addressed himself to Sinowatz in his speech. He said he did not think the Defense Minister's reception of Reder should merely be termed an "error."

"This is something which angers us, which expresses something we would like to have forgotten,"

The Jewish people, he continued, "is angry and we ask the government of Austria to take the necessary steps to quiet down this anger."

Dulzin went on to call upon Sinowatz to "dissociate himself from that unbelievable act and also from the person who performed it," i.e., Frischenschlager. This was widely interpreted by delegates to mean a call for Sinowatz to demand the Defense Minister's resignation -- a move considered highly unlikely as it would provoke a Cabinet crisis, something the Social Democratic Party is unwilling to do.

At the same time, Dulzin congratulated the people of Austria for the years it hosted thousands of refugees and thus "gave us a helping hand."

#### "It Is An Ethical Error"

Eli Wiesel, chairman of the U.S. Holocaust Memorial Council, scrapped most of his prepared text and addressed himself to the Reder incident. "What hurts most," he said, "is the insensitivity. How is it possible to refer to the Defense Minister's action as a political mistake? It is an ethical error." The action, he continued, "did not take into consideration that it might hurt us -- and it hurts us."

After the conclusion of the formal speeches -- which had also included words of welcome from Dr. Ivan Packer, president of the Union of Austrian Jewish communities, and Anton Benya, president of the Austrian Parliament -- Dr. Gerhart Riegner, former WJC secretary general and now co-chairman of the Governing Board, called attention to the fact that Sunday is the 40th anniversary of the liberation of Auschwitz.

Dr. Israel Singer, WJC executive director, led the audience in saying Kaddish for the victims of the death camp. Then MP Greville Janner of Great Britain, a WJC vice president, started singing Hatikvah and the audience joined in.

The general feeling among the delegates at the conclusion of the session was that Sinowatz's speech could in no way be described as the kind of strong apology the European and Israeli delegates wanted and which would head off their original wish to pull the WJC out of Vienna.

However, at the same time, most delegates felt that the anger over the Reder scandal has been expressed and there was nothing to gain and even much to lose by the WJC pulling out. Such a move, many delegates, especially the Americans, felt could jeopardize relations between Israel and Austria.

WJC vice president Arthur Hertzberg told the Jewish Telegraphic Agency he felt that Sinowatz could not provoke a Cabinet crisis as the government would fall. "This government is the only one that may bring in Soviet and Iranian Jews," he said. "Jewish statesmanship demands that they (the Austrians) be excoriated, which is what happened and that should be the end of it."

#### Says All Ethiopian Jews Must Be Rescued

Somewhat lost in the overheated atmosphere at last night's opening session of the Governing Board was the rest of Bronfman's speech. He pledged that the "entire Jewish world will not rest until all Ethiopian Jews are rescued." He continued:

"The emergency airlift of Ethiopian Jews to Israel represented all that is the best in the Jewish moral tradition. It is the manifest refutation of that base slander against the Jewish people that Zionism is racism. We salute the State of Israel and former Prime Minister Menachem Begin for undertaking this noble endeavor."

#### Situation Of Soviet Jewry

Turning to the question of Soviet Jewry, Bronfman told the meeting that the WJC has emphasized that its concern for this community "is not motivated by any anti-Soviet disposition." The WJC, he stated, rejects "enlistment as Cold Warriors." Bronfman continued:

"There is no doubt that constructive developments toward easing the plight of Soviet Jewry will help to ease tension between East and West, just as we believe that diminishing tensions between East and West will improve the conditions of Soviet Jews" and benefit the entire world, as well.

Bronfman reported that the possibility of the Soviet Union's joining with world Jewry in various events commemorating the 40th anniversary of the overthrow of Nazism was raised in his talks with Soviet officials. He expressed the hope that cooperation in these efforts would bring "positive movement" in other areas, as well.

"World Jewry and the Soviet Union share much common emotional ground and mutuality of past interest," Bronfman told the gathering. "The victory over the Nazis and fascism 40 years ago was a historic moment for both the Jewish people and the Soviet people. One million Jews fought in the Red Army against Nazi barbarism." In remembering the Holocaust, he continued, "we cannot forget that brave Soviet troops liberated most of the tattered remnants of European Jewry from the death camps."

Concern over terrorism has occasioned very tight security at the WJC Governing Board meeting. The crack anti-terrorist squad, popularly called the "Cobras," are omnipresent in and around the Hilton, where all the meetings, with the exception of the opening session, are taking place for the duration of the weekend of meetings.

#### LEADING NEO-NAZIS SENTENCED

By David Kantor

BONN, Jan. 27 (JTA) -- Michael Kuehnlen, described by police as one of the most effective

and dangerous neo-Nazis in West Germany, was sentenced last Friday by a Frankfurt court to three years and four months in prison and banned from voting or taking public office for three years. A companion of his, Amd-Heinz-Marx, was sentenced to two-and-a-half years in prison and was banned from voting for three years.

Kuehnen, 29, was described by Chief Judge Friedrich Lehr as "the symbol of neo-Nazism in West Germany." Kuehnen had led the outlawed Action Front of National Socialists, which he and Marx had founded in January 1983. Kuehnen at one time was also involved with the PLO.

He was extradited from France two months ago. He faces several more trials in various West German cities on charges of circulating anti-Semitic propaganda, trying to revive the Nazi Party, and calling for violent actions against foreigners residing in the country.

#### ISRAELIS AND EGYPTIANS BEGIN TALKS ON THE FUTURE OF TABA

By Hugh Orgel

TEL AVIV, Jan. 27 (JTA) — Israeli and Egyptian diplomats and officials gathered at the Desert Inn Hotel in Beersheba today to start three days of negotiations on the future of Taba, a 750-yard area on the Gulf of Aqaba at the northeastern tip of the Sinai, less than a mile south of Eilat. The area is claimed by both Egypt and Israel, and its uncertainty has helped sour relations between both countries.

The dispute concerns the exact line of the border, with the Egyptians claiming that a luxury hotel and beach resort built there occupy land which belongs to Egypt, and Israel claiming that the disputed area is on the Israeli side of the international border.

The opening meeting today was brief and was devoted mainly to procedural matters. The next meeting is to be held tomorrow. The Israeli delegation is headed by Zvi Keddar, head of the Foreign Ministry's Middle East division.

The Egyptians are insisting in their claim on Taba and want the issue to go immediately to arbitration. Israelis in Egypt say that many Egyptians are under the impression that the disputed area consists of hundreds of square miles.

#### Israelis Are Divided On The Issue

Israeli leaders, including Cabinet ministers, are more divided on the issue, with Labor Party members more in favor of compromise in order to get Egypt to fully observe the peace treaty with the return of the Egyptian Ambassador to Israel — which Cairo says cannot happen while Taba is in dispute.

Israeli leaders contend that the peace treaty with Egypt calls first for negotiations and then for conciliation attempts on this issue before arbitration. They say the first two steps have not yet been exhausted.

The Egyptian chief delegate, Abdul Halim El-Badawi, said on his arrival at Ben Gurion Airport en route to Beersheba this morning that "we have come to start a new round of talks on the implementation of the April 25 (1982) agreement between the two governments. We do believe that all problems can be solved and overcome. We have come here with an open mind and shall apply that open mind to all problems. I am looking forward to the success of those talks, and I hope our good will shall be reciprocated."

The 1982 agreement stipulated that only Israeli police and border police, without army troops, should maintain security in Taba. Troops of the Multinational Force and Observers (MFO), the international Sinai observation force, were slated to have taken over responsibility for security pending a settlement.

But the MFO has never entered the area, as Israel and Egypt could not reach a common definition of "security" in this case.

Keddar said that during the negotiations on Taba, he would raise other issues, including the search for the bodies of Israel Defense Force soldiers still not found in the Sinai desert, and the continued sea searches for traces of the IDF submarine Dakar which disappeared at sea without a trace many years ago on its delivery journey from Britain.

#### CABINET APPROVES \$23 BILLION BUDGET

By Gil Sedan

JERUSALEM, Jan. 27 (JTA) — The Cabinet today unanimously approved a \$23 billion budget for fiscal year 1985, presented by Finance Minister Yitzhak Modai. According to Modai it is a step toward solving the economic crisis.

Although only marginally smaller than the budget for fiscal 1984, it represents a reduction of nearly \$2 billion from last year's actual spending. The effects of the new budget will be to reduce living standards by about five percent. There will be a similar drop in real wages and higher taxes. Increased unemployment is considered inevitable.

Modai, the target of criticism from his colleagues when he first presented his draft budget last week because he did not cut enough, emerged satisfied from today's Cabinet session. He cautioned, however, that what was approved was a budget "framework." The budgets of each ministry have yet to be made final and changes are possible.

#### Disputes Expected Over Proposed Cuts

Modai hinted that he expects disputes over the proposed cuts in the defense and education budgets. The defense budget stands at \$4 billion, of which \$2.6 billion comes from local resources and the balance from U.S. military grants-in-aid, mainly in the form of military equipment.

Modai said one question mark hovering over the defense budget is the cost of withdrawing the Israel Defense Force from south Lebanon, an operation begun last week. He said it is too early to foretell the exact cost but it is estimated in the neighborhood of \$140 million.

The Treasury, fearing that each ministry will challenge its budget, plans to submit a bill to the Knesset which would ban by law deviations from an approved budget.

#### PERES: TALKS AT NAKURA ARE AT AN END

JERUSALEM, Jan. 27 (JTA) — Premier Shimon Peres believes that the talks between Israel and Lebanon at Nakura have reached an end.

Cabinet Secretary Yossi Beilin told reporters after today's weekly cabinet session that the Premier had told the Ministers the Nakura talks have apparently ended because of the impossible demands of the Lebanese. Peres was reportedly referring to Lebanon's insistence that Israel provide a detailed timetable for its complete withdrawal from Lebanon.

Beilin noted, however, that Peres' remarks constituted his assessment of the situation, and did not mean that Israel opposed a resumption of the talks.

#### RABIN IS VISITING THE U.S.

TEL AVIV (JTA) — Defense Minister Yitzhak Rabin left Saturday night for Washington where he will hold talks with Defense Secretary Caspar Weinberger, Secretary of State George Shultz, senior Administration officials and Congressmen. He is also scheduled to meet President Reagan during his eight-day visit to the United States.