

Swiss Nazi banker withdraws libel suit to cover terrorist ties

by Aline Derval

In a Nov. 15 judiciary debate at the Police Tribunal in Geneva, Switzerland, it took the lawyers of Swiss Nazi banker François Genoud six hours to obtain the defendants' legally mandated agreement for their client to withdraw his libel suit against *Le Monde's* Jean-Claude Buhner, *L'Express's* Jacques Dérogy, *Le Point's* Jean Schmitt, and *La Tribune de Genève's* Olivier Pauli. According to Genoud's main counsel, Marc Bonant, 90% of the journalists' published assertions of Genoud's Nazi connections, originally claimed as libelous by the Lausanne banker in his June 1982 suit, were in fact "not contested" by the plaintiff, who to this day, remains faithful to his pre-war Nazi convictions. The debate to establish grounds for withdrawing the suit, should, therefore, restrict itself to two essential points, argued Bonant: Genoud's denial of his direct, material role in international terrorism and connections to the terrorist figure "Carlos," and his denial of being involved in financial fraud in the 1960s.

After other concessions from Genoud, including legal expenses and travel costs for the defense witnesses, both parties agreed to end the trial with an amicable settlement, a protocol of no binding legal value, which the journalists signed stating that they "have not imputed to Mr. Genoud any personal participation in any material terrorist act," but that, given Genoud's known connections and the facts contained in their articles, they continue to have questions about the nature of his links with terrorist groups and his possible responsibility and role.

This was the price François Genoud and his lawyer, Bonant—whose clients include Licio Gelli, former head of the subversive Propaganda-2 Freemasonic lodge and a veteran of Mussolini's secret police agency—paid to prevent the coming-to-light of more damaging evidence on his Nazi past and current pro-terrorist activities. Defense witnesses included some 20 persons, among them well-known Resistance fighters, who had come from France and Canada to testify.

Genoud's judiciary surrender and political defeat reflect the fact that the Swiss government, which has protected him since the early 1960s, seems to now find him too hot to handle. Not only was the public prosecutor not represented

on the plaintiff's behalf—as is customary—but also the Swiss government released a note a few days before the trial, enumerating the charges against Genoud from 1934 until the war, including his association with the Swiss Nazi Party's National Front and his spying for Nazi Germany (see *Documentation*). The defendants had unsuccessfully sought access to these documents, which confirm trial evidence that was to be provided by the Union Internationale de la Résistance et de la Déportation (the International Union of the Resistance and Deportee Movements—UIRD). In a similar move, the Algerian government sent in timely official documentation on Genoud's 1964 condemnation and subsequent expulsion from Algeria for "infraction of exchange-rate legislation and currency trafficking," while director general of the Arab Popular Bank.

Genoud, the Nazis, and the terrorists

The first offending article mentioned in the suit was published in March 1982. Following the arrest in France of terrorists Bruno Breguet and Magdalena Kopf, *Le Monde's* Swiss correspondent Jean-Claude Buhner raised the question of the "links between some terrorist groups and pro-Nazi circles." Buhner exposed Genoud's financing of a lawyer to defend Swiss terrorist Breguet, when the latter was arrested in Israel in 1970. The lawyer Genoud sent was one Maurice Cruchon, who ultimately married one of Genoud's daughters and later was Genoud's co-counsel, along with Bonant. Following the trial, Buhner uncovered Genoud's links to Georges Habash, head of the terrorist Popular Front for the Liberation of Palestine, and his presence as legal adviser to the PFLP at the 1969 trial in Winterthur, Switzerland, of four PFLP members, following the attempted bombing of an El Al plane in Zurich. The article delved into Genoud's Nazi past, his links with the Abwehr, his activities as exclusive legatee of Hitler, Bormann, and Goebbels's copyrights, his association with SS Gen. Kurt Wolff, Himmler's right-hand man Ramcke, and Nazi Economics Minister Hjalmar Schacht.

Following the *Le Monde* bombshell, the other three journalists named in the suit continued the investigations and

published similar findings.

Arguing that Genoud has now rejected the instructions issued by the public prosecutor's office listing the more than 30 points of alleged libel, Bonant proceeded first to establish what his client no longer deemed "slanderous" and therefore outside the realm of debate. Genoud did not consider it defamatory to refer to his "fascist and even pro-Nazi obedience," or even "pro-Nazi convictions," insofar as he "has had specific political convictions throughout, [and] has not changed or repudiated them like so many." Nor was his friendship with leading Swiss pro-Nazi George Oltramare considered defamatory. Genoud "would not see . . . any affront to his honor," were he accused of anti-Semitism, although he claims he is only "anti-Zionist." Nor is the charge, which he denied, that he was recruited to the Abwehr, considered libelous, "to the extent that this would not have been against the interests of Switzerland." As for his ties with the Black September terrorists, he admitted his contact with the

In order to prevent a sensational trial which could bring out the whole story of the post-war survival of the Nazi International and its controlling role in world terrorism, François Genoud was willing to pay a stiff price, admitting to most of the charges made against him by the defendant journalists. He insists only that he had no direct personal role in terrorist actions.

group's leader, Hassam Salame—even more often than the defendants have known, and not only in Beirut; he conceded meeting with Georges Habash and attended the PFLP trial in Winterthur. Genoud claimed, with pride, his friendship with the Nazi Grand Mufti of Jerusalem, and though he never funded the national liberation movements in North Africa, Bonant's client "regrets it."

Bonant went on to conclude that the defendants should not be allowed to prove the truth of their investigations, since their intentions were "malicious" and not motivated by the "public interest," since they have "violated the anonymity of an honest man who has made the choice of not being a public figure, a political figure."

In this, Bonant received his second rebuff from the court: His motion to restrict debate to the two cited issues was denied, and the defendants were permitted to present their witnesses, among them:

- Marie-Madeleine Fourcade, president of the UIRD and its Expert Committee on the Resurgence of Nazism;
- Jacques Delarue, member of the Expert Committee on the Resurgence of Nazism;
- Daniel Mayer, former president of the Ligue des Droits de l'Homme (League for the Rights of Man), and founder of the International Action Committee of the Resistance;
- Claire Sterling, author of *The Terror Network*;
- Isabelle Vichniac, journalist and Resistance veteran, and;
- Erna Paris, author, whose book *The Barbie Affair* has just been released in French.

At an impromptu press conference held by several defense witnesses shortly after the hearing, Erna Paris revealed new evidence tying Genoud to the defense of Klaus Barbie (see article, page 00). Jacques Delarue outlined how the UIRD's expert committee had been tracking down Genoud's Nazi connections since they discovered his participation in a 1944 meeting of Nazi financiers in Strasbourg. And the journalist-author of the film *The Spy Who Came from the Extreme Right*, reported that pro-Nazi historian and Genoud intimate David Irving had admitted to Genoud's involvement in arms-trafficking. Another witness, J. Tarnero, former president of the Paris Center of Research on Anti-Semitism, exposed the striking parallel between the variety of "anti-Zionism" professed by pro-Nazi circles, and the similar denial by the Direct Action terrorists of the existence of the Nazi concentration camps.

Even though Genoud was forced to legally capitulate, while publicly confessing his Nazi devotion, among other activities, a more fundamental fight, on the issue of the key role played by such intellectual and moral controllers of terrorism, was aborted, partly because of the defense lawyers' cowardice and partly because of political pressures on them. This was all the more regrettable, insofar as defendant Jacques Dérogy had opened the way for such an exposé by comparing Genoud to French pro-Nazi Robert Brasillac, who "did not send Jews to the camps himself," but as propagandist for the Nazis was condemned to death after the war.

Genoud's capitulation had in fact been pre-arranged by Bonant, and the defense lawyers had agreed in advance not to reject his withdrawal and an out-of-court settlement—out of "professional courtesy" to Bonant, who is reputed never to have lost a case. Bonant had drafted the formulation of the settlement beforehand, which stated only that Genoud was not being accused of material acts of terrorism. It was later strengthened by the journalists in a closed-door session during the trial.

Had Genoud's petition to withdraw the suit been rejected and the trial forced to proceed, an explosive dossier would have come to public light. In any case, a more honorable response on the part of the defense lawyers would have been to raise the possibility and necessity of bringing Genoud to trial as an apologist for crimes of war and crimes against humanity.