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## Menem Cleared of Arms Smuggling

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BUENOS AIRES, Aug. 28 -- An Argentine court dropped an arms-smuggling probe against former president Carlos Menem during which he served five months of house arrest in 2001, court officials said today.

Domingo Cavallo, economy minister under Menem and former president Fernando de la Rúa, was also cleared of involvement in illegal arms sales to Ecuador and Croatia between 1991 and 1995, a source from Judge Julio Speroni's court chambers said. Cavallo spent two months in jail last year in connection with the case.

Corruption scandals rocked Menem's 1989-99 presidency, contributing to his poor performance in May's presidential contest. Menem dropped out of the race to avoid apparent defeat in the runoff, paving the way for Nestor Kirchner to become president.

Argentine authorities have been investigating accusations that Menem took a \$10 million bribe to cover up the 1994 bombing of a Buenos Aires Jewish community center in which 85 people died, and that he maintains secret Swiss bank accounts. The former president has denied both allegations.

Menem was released from house arrest in November 2001 for lack of evidence, but Speroni continued to investigate him.

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