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White House - AP Cabinet & State

Top Officials Queried in Israel Probe



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By *CURT ANDERSON, Associated Press Writer*

WASHINGTON - High-ranking officials at the Pentagon ([news](#) - [web sites](#)) and State Department have been interviewed or briefed by FBI ([news](#) - [web sites](#)) agents investigating a Defense Department analyst suspected of passing to Israel classified Bush administration materials on Iran.



AP Photo

Among those briefed by the FBI was Douglas J. Feith, the Pentagon undersecretary for policy who is a superior of the analyst under investigation, said government officials familiar with the sessions.

- Full Coverage

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The officials spoke Monday on condition of anonymity because the probe is ongoing.

The FBI agents briefed Feith on Sunday in his office at the Pentagon and also asked questions, the officials said. Also recently briefed by the FBI was Deputy Defense Secretary Paul Wolfowitz, they said.

Others at State and Defense have been interviewed or briefed over the course of the probe, but the officials declined to provide any other names.

There was no immediate indication that the criminal investigation has widened beyond the single analyst, identified previously by senior law enforcement officials as Larry Franklin. Franklin, who has not responded to telephone messages seeking comment, works in an office dealing the Middle East affairs and has access to classified government information.

The investigation focuses on whether Franklin passed classified U.S. material on Iran to the American Israel Public Affairs Committee, the influential Israeli lobbying organization in Washington, and whether anyone in that group forwarded the information on to Israeli officials. AIPAC and Israel have strenuously denied the allegations.

Israeli officials did confirm Monday that a senior Israeli diplomat in Washington has met with Franklin. Those officials, also speaking on condition of anonymity, identified the diplomat as Naor Gilon, head of the Israeli Embassy's political department.

Gilon told the Israeli newspaper Maariv that he did nothing wrong but was concerned that he may no longer be able to work in Washington because of the investigation.

"Now, people will be scared to talk with me," Gilon said in a story published Monday.

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Prosecutors were still deciding whether to bring the most serious charge of espionage against Franklin or others, or opt for a lesser charge such as mishandling classified information. U.S. Attorney Paul McNulty of Virginia's eastern district, who is overseeing the probe, did not immediately respond to a request for comment.

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Analysis / A cold wind blowing from the CIA

By

Before former U.S. Central Intelligence Agency head George Tenet retired, he made stinging comments on various occasions to Israeli officials in the intelligence community, especially the Mossad, saying Israel had a spy in America.

The accusation was rejected out of hand - Tenet was even loudly challenged to catch any such agent and expose him publicly. The exchange of remarks was passed on to Israel, evoking surprise at the political level over the accusations.

On Friday night, the American media revealed that an investigation was proceeding into a suspected Pentagon mole who was transmitting information to AIPAC (the American Israel Public Affairs Committee) and from there to Israel about the White House's war plans for Iraq.

A person named Larry Franklin was mentioned, who works in the office of undersecretary of defense Douglas Feith. Between Larry Franklin and Doug Feith there are at least three levels of bureaucratic hierarchy.

AIPAC insisted last night that it heard Franklin's name for the first time on Friday when investigators came to them. They also said that AIPAC provided the authorities with documents and information that investigators had requested or asked about.

In any case, it is difficult to imagine that an organization like AIPAC, considered professional and very experienced, would get itself involved in maintaining a mole in the American security establishment.

The timing of the affair's exposure is connected with the U.S. election campaign and the struggle against the group of neoconservatives in the administration, who are accused of leading President Bush to war with Iraq.

While AIPAC claims it never heard of Larry Franklin, he is known to the Israeli intelligence community. He has appeared more than once at meetings with Israeli intelligence, especially with military intelligence, mostly in a group setting.

Israel has noticed that relations between the CIA and the Mossad had begun to cool. Senior Israeli and American officials say the chill may have a number of causes. One might have been the leaking of secret

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And Now a Mole?

In the Pentagon, a suspected spy allegedly passes secrets about Iran to Israel

By Michael Isikoff and Mark Hosenball

It was just a Washington lunch—one that the FBI happened to be monitoring. Nearly a year and a half ago, agents were monitoring a conversation between an Israeli Embassy official and a lobbyist for American Israel Public Affairs Committee, or AIPAC, as part of a probe into possible Israeli spying. Suddenly, and quite unexpectedly, in the description of one intelligence official, another American "walked in" to the lunch out of the blue. Agents at first didn't know who the man was. They were stunned to discover he was Larry Franklin, a desk officer with the Near East and South Asia office at the Pentagon.

Franklin soon became a subject of the FBI investigation as well. Now he may face charges, accused of divulging to Israel classified information on U.S. government plans regarding Iran, officials say. While some U.S. officials warned against exaggerated accusations of spying, one administration source described the case as the most significant Israeli espionage investigation in Washington since Jonathan Pollard, an American who was imprisoned for life in 1987 for passing U.S. Navy secrets to the Israelis. The FBI and Justice Department are still reviewing the evidence, but one intelligence source believes Franklin may be arrested shortly.

The probe itself amounts to another embarrassing problem for Donald Rumsfeld, the beleaguered Defense secretary. It comes during a week in which violence flared up again in Iraq and a Pentagon investigation indirectly blamed Rumsfeld for poor oversight in the Abu Ghraib prisoner-abuse scandal. In a statement, the Defense Department said it "has been cooperating with the Department of Justice on this matter for an extended period of time."

At first blush, officials close to the investigation say, Franklin seemed an unlikely suspect: he was described as a midlevel policy "wonk" with a doctorate who had toiled for some time on Mideast affairs. Yet he had previously worked at the Defense Intelligence Agency, and there was at least one other aspect to his background that caught the FBI's attention: although Franklin was not Jewish, he was an Army reservist who did his reserve duty at the U.S. Embassy in Tel Aviv.

FBI counterintelligence agents began tracking him, and at one point watched him allegedly attempt to pass a classified U.S. policy document on Iran to one of the surveillance targets, according to a U.S. intelligence official. But his alleged confederate was "too smart," the official said, and refused to take it. Instead, he asked Franklin to brief him on its contents—and Franklin allegedly obliged. Franklin also passed information gleaned from more highly classified documents, the official said. If the government is correct, Franklin's motive appears to have been ideological rather than financial. There is no evidence that money changed hands. "For whatever reason, the guy hates Iran passionately," the official said, referring to the Iranian government.

NEWSWEEK's efforts to reach Franklin or a lawyer representing him were unsuccessful. But a close friend, Michael Ledeen of the American Enterprise Institute, said he believes the charges against Franklin are "nonsensical." Officials say that Franklin began cooperating about a month ago, after he was confronted by the FBI. At the time, these officials say, Franklin acknowledged meetings with the Israeli contact. Law-enforcement officials say they have no evidence that anyone above Franklin at the Pentagon had any knowledge of his activities.

Israeli officials, meanwhile, bristled at the suggestion of espionage. Ephraim Sneh, a member of Parliament and a retired general who has been monitoring the development of nukes in Iran for years, said that Israel would be crazy to spy on its best friend. "Since Pollard, we avoid any intelligence activity on U.S. soil," Sneh said in an interview. "I know the policy; I've been in this business for years. We avoid anything that even smells like intelligence-gathering in the U.S." Another Israeli official contended that the Israelis had no cause to steal secrets because anything important on Iran is already exchanged between the CIA and the Mossad, Israel's spy agency. In a statement, AIPAC denied that any of its employees received information "they believed was secret or classified," and said it was cooperating.

U.S. investigators would not reveal what kind of information Franklin was allegedly trying to divulge to Israel. But for months the administration has been debating what to do about Iran's clerical regime as well as its alleged program to build nuclear weapons—a subject of keen interest to the Israelis, who have quietly warned Washington that they will not permit Tehran to gain nuclear capability.

Franklin was known to be one of a tightly knit group of pro-Israel hawks in the Pentagon associated with his immediate superior, William Luti, the hard-charging and impassioned protégé of former House speaker Newt Gingrich. As deputy assistant secretary of Defense for Near East affairs, Luti was a key player in planning the Iraq war. He, in turn, works in the office of Under Secretary Douglas Feith, a career lawyer who, before he became the Pentagon's No. 3, was a sometime consultant for Likud, Israeli Prime Minister Ariel Sharon's political party. Officials say they have no evidence that either Feith or Luti had any knowledge of Franklin's discussions with the Israelis.

Franklin has also been among the subjects of a separate probe being conducted by the Senate intelligence committee. Part of that investigation concerns alleged "rogue" intelligence activities by Feith's staff. Among these activities was a series of meetings that Franklin and one of his colleagues, Harold Rhode, had in Paris in late 2001 with Manucher Ghorbanifar, the shadowy Iranian arms dealer made infamous during the Iran-contra scandal of the 1980s. One purpose of those meetings was to explore a scheme for overthrowing the mullahs in Iran, though Rumsfeld later said the plan was never seriously considered. But so far, there is no evidence that the Ghorbanifar contacts are related to the espionage probe. And officials familiar with the case suggest that the political damage to Bush and the Pentagon may prove to be more serious than the damage to national security.

With Michael Hirsh and Daniel Klaidman in Washington and Dan Ephron in Jerusalem

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FBI Looking Deep Into Defense Office

A probe goes beyond whether a midlevel analyst gave an Iran policy document to Israel, sources said.

By Warren P. Strobel, Inquirer Washington Bureau.

WASHINGTON - An FBI investigation into the handling of classified material by Pentagon civilians is broader than previously reported and goes well beyond allegations that a single midlevel analyst gave a top-secret Iran policy document to Israel; three sources familiar with the investigation said yesterday.

The probe, more than two years old, also has focused on other Pentagon civilians, the sources, who have firsthand knowledge of the subject, said on condition of anonymity.

In addition, one said, FBI investigators in recent weeks have conducted interviews to determine whether Pentagon officials gave classified U.S. intelligence to a leading Iraqi exile group, the Iraqi National Congress, which may have in turn passed it to Iran. The exile group's leader, Ahmed Chalabi, has denied his group was involved in any wrongdoing.

The link, if any, between the two investigations remains unclear.

But they both center on the office of Undersecretary of Defense Douglas Feith, the Pentagon's No. 3 official.

Feith's office, which oversees policy matters, has been the source of numerous controversies in the last three years. His office had close ties to Chalabi and was responsible for postwar Iraq planning that the administration has acknowledged was inadequate.

Before the war, Feith and his aides pushed the now-discredited theory that Iraqi leader Saddam Hussein was in league with al-Qaeda.

No one is known to have been charged with any wrongdoing in the investigations. Officials said the investigations could result in charges of mishandling classified information, rather than the more serious charge of espionage.

The Israeli government strenuously denied yesterday that it had spied on the United States, its main benefactor on the global scene.

The American Israel Public Affairs Committee, the powerful pro-Israel lobby that top officials said was suspected of serving as a conduit to Israel for the midlevel analyst, also has denied any wrongdoing.

The sources indicated that the analyst being investigated is Larry Franklin, who works for Feith's deputy, William Luti. Franklin served as an important, albeit low-profile, adviser on Iran issues to Feith and

Deputy Defense Secretary Paul Wolfowitz.

Franklin, a former Defense Intelligence Agency analyst who lives in West Virginia, could not be reached for comment yesterday.

Investigators are said to be looking at whether Franklin acted with authorization from his superiors, one official said.

Two sources disclosed yesterday that the information believed to have been passed to Israel was the draft of a top-secret presidential order on Iran policy known as a National Security Presidential Directive. Because of disagreements over Iran policy among President Bush's advisers, the document is not believed to have been completed.

Having a draft of the document - which some Pentagon officials may have believed was insufficiently tough toward Iran - would have allowed Israel to influence U.S. policy as it was being made. Iran is among Israel's main security concerns.

Two or three staff members of the pro-Israel lobby have been interviewed in the case. In a prepared statement, the lobby said any allegation of criminal conduct was "false and baseless." It is cooperating fully with investigators, the statement said.

Israeli officials insisted they stopped spying on the United States after the exposure of Jonathan Pollard, who was arrested in 1985 and sentenced to life in prison for spying for Israel.

White House spokesman Scott McClellan would not discuss the investigation.

"Obviously any time there is an allegation of this nature, it's a serious matter," he said while traveling with the President in Ohio.

Other sources said the FBI investigation was more wide-ranging than initial news reports suggested.

They said it had involved interviews of current and former officials at the White House, Pentagon and State Department.

Investigators have also asked about the security practices of several other Defense Department civilians, they said.

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Los Angeles Times
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Pentagon Spy Flap Isn't Open-And-Shut Case

U.S. and Israel often share data, officials say. But the latter has riled friendly nations before.

By Laura King and Tyler Marshall, Times Staff Writers

JERUSALEM — Not just in espionage thrillers, but in real life as well, it can be difficult to tell trusted friend from double-crossing spy.

That's especially true between close allies such as Israel and the United States, in a world where government officials, lobbyists, diplomats, think-tank analysts and intelligence veterans from both sides often move in overlapping political and social circles — a pattern that can blur the line between cordially informal exchanges of information and espionage.

After U.S. authorities disclosed that a Pentagon analyst specializing in Iranian affairs is under investigation for possibly spying for Israel, the government of Prime Minister Ariel Sharon flatly denied that it had illicitly acquired any classified American material.

But cases such as these are not always open and shut. Longtime observers of the intelligence scene note that the U.S. and Israel often share sensitive data, particularly when one has assets the other lacks.

For example, the ranks of Israel's diplomatic and intelligence corps are honeycombed with native Arabic speakers, many of them Jews whose families emigrated from elsewhere in the Middle East. They are in many cases far better equipped than their relatively sparse U.S. counterparts to carry out sophisticated analyses of political and military developments in the region, and the fruits of such labors are routinely handed over to America.

Before and during the war in Iraq, Israel and the United States engaged in intensive sharing of intelligence — some of which turned out to be tainted, military and intelligence officials on both sides have said.

Among American Jews, the subject of Israeli spying is fraught with tension because of fears of being tarred as a "fifth column" that puts Israel's interests ahead of America's. Some activists for Jewish and Israeli causes believe that it took years to recover from the damage done by the case of U.S. naval intelligence analyst Jonathan Jay Pollard, who was convicted of spying for Israel and sentenced in 1987 to life in prison.

In the current case, such concerns are complicated by investigators' suspicions that the American Israel Public Affairs Committee, the foremost lobby group in Washington for Israeli causes, may have served as a conduit for information improperly passed to the Israeli government. AIPAC has denied any wrongdoing.

For Israel, part of the problem when confronted with a spy scandal like this is that in the past, its protestations of innocence sometimes proved less than credible.

In recent years, under the watches of several prime ministers, Israel has antagonized a string of friendly nations, including Switzerland, Cyprus, Jordan and Canada, either by using their soil as a staging ground for spy activity or by having Mossad agents pass themselves off as these countries' nationals.

Israel suffered one of its worst cases of "blowback" — espionage parlance for unanticipated and highly unwelcome consequences — when Mossad agents tried, ineptly, to assassinate Hamas leader Khaled Meshaal in Jordan in 1997 by injecting him in the ear with poison.

To retrieve its disgraced agents, Israel was forced to free Hamas leader Sheik Ahmed Yassin, who returned to the Gaza Strip in triumph and was a driving force behind the campaign of Palestinian suicide bombings until he was assassinated by Israel in March.

Authorities in New Zealand were infuriated last spring when two Israelis were caught trying to fraudulently procure a New Zealand passport. Prosecutors said a disabled New Zealand man was unwittingly used as the phony passport applicant.

Israel has not acknowledged that its nationals were spies, but New Zealand says there is little room for doubt.

Bungles such as these have done much to dent the Mossad's image as a skilled and subtle practitioner of the art of espionage, and high-profile errors have prompted calls in Israel to rein in the spymasters:

In the aftermath of the Pollard case, Israel made strenuous pledges to refrain from spying on the United States. Senior diplomatic sources and analysts interviewed Saturday expressed doubt that Israel would have risked involving itself in such an operation at this juncture.

"Israel is not spying on American soil, full stop, in the sense that it's not trying to locate potential agents, it's not approaching them, it's not recruiting them, it's not running them, and it's not paying money for information," said Yossi Melman, an author who specializes in Israel's intelligence community.

"And it very much depends on the extent and detail of the information involved," Melman added. "If someone at the Pentagon actually passed a confidential document directly to Israel, it would be very, very serious, but if someone simply tells a third party, 'Well, it seems the American thinking on this subject is such and such,' then it's all much more murky."

In Washington, the reports of the FBI investigation also raised questions about why Israel might be willing to risk a major spy scandal involving its closest ally. After all, Sharon's government can open doors even at the highest levels of the Bush administration, Washington-based diplomats and Middle East experts noted.

"It would be kind of reckless for Israel to do this considering the access they have within this administration," said William B. Quandt, a Middle East specialist at the University of Virginia who served under President Carter.

But others noted that the investigation comes at a time of tensions between the two allies on an issue vital to Israel's security: Iran's nuclear weapons capabilities. Israeli intelligence estimates have consistently concluded that Tehran is much closer to building a nuclear weapon than Washington

believes.

Earlier this year, senior Israeli officials predicted that Iran could gain nuclear weapons capability by next year, and some hinted that Israel would be prepared to attack facilities at the Iranian port of Bushehr if Tehran achieved that capacity. Iran has threatened Israel as well.

"If the Zionist entity attacks us, we are capable of striking its nuclear reactors," Iranian news reports quoted Gen. Yedalla Jawani, a senior commander in the Revolutionary Guard, as saying recently.

A U.S. intelligence estimate this year suggested that Iran was still several years away from building a nuclear bomb.

"Some Israelis have recently adjusted to a prediction of two to three years, but they have taken a much more alarmist position on this [than the U.S.] all along," said Joseph Cirincione, senior associate and director of the nonproliferation program at the Carnegie Endowment for International Peace in Washington. "There are clearly differences."

Understanding details of the U.S. assessment of Iran's nuclear program or gaining inside knowledge of how America might react to a possible Israeli preemptive military strike against Iranian nuclear facilities would be extremely valuable for the Jewish state, regional experts say.

The subject of the FBI's investigation is believed to have dealt with Iran policy in a part of the Pentagon that has had considerable influence on U.S. policy in the region.

Almost no one in the Israeli leadership echelon believes that intelligence-gathering in and of itself is necessarily a hostile act, even when conducted in friendly countries. Part of any diplomat's job is to read the newspapers, talk to politicians and policymakers, visit military and industrial installations when invited to do so — and report back.

"All over the world, in the embassies of any country, you have people with job titles like cultural attaché or agricultural liaison, and in reality, they gather information of use to their home country's intelligence apparatus," said a former Israeli diplomat, speaking on condition of anonymity. "Everyone does it."

Israel has dozens of military and military intelligence officials, and at least two ranking Mossad agents, as part of its overt operations in the United States. The Mossad has a liaison to the CIA, who also acts on behalf of Israel's domestic security agency, the Shin Bet, in dealings with the FBI.

Because Israel is such a melting pot, with immigrants from all over the world, it has many citizens who hold dual nationality. When smart, multilingual young Israelis holding foreign passports are ready to enter the job market, they sometimes find themselves approached — albeit discreetly — by Mossad recruiters. Separately, the Mossad is known to seek out foreign Jews to serve informally as volunteer tipsters, known in Hebrew as *sayanim*, or "helpers."

Whatever its outcome, the spy flap comes at an awkward time for both Sharon and President Bush. The Israeli prime minister is on far friendlier terms these days with Washington than he is with members of his own party and has no wish to jeopardize that. And in an election season, no U.S. leader would court a public spat with Israel.

Bush has lately gone far out of his way to support Sharon.

Four months ago, he reversed decades of U.S. policy to support to the prime minister's plan to eventually annex large Jewish settlement blocs in the West Bank in exchange for Israel relinquishing settlements in the Gaza Strip.

Washington also refrained from public criticism this month of Israel's issuing of tenders to build nearly 2,000 homes in the West Bank, even though long-standing U.S. policy explicitly opposes settlement expansion.

King reported from Jerusalem and Marshall from Washington.

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Washington Post
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Pg. 1

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Analyst Who Is Target Of Probe Went To Israel

By Thomas E. Ricks and Robin Wright, Washington Post Staff Writers

The FBI investigation into whether classified information was passed to the Israeli government is focused on a Pentagon analyst who has served as an Air Force reservist in Israel, and the probe has been broadened in recent days to include interviews at the State and Defense departments and with Middle Eastern affairs specialists outside government, officials and others familiar with the inquiry said yesterday.

At the center of the investigation, sources said, is Lawrence A. Franklin, a career analyst at the Defense Intelligence Agency who specializes in Iran and has served in the Air Force Reserve, rising to colonel. Early in the Bush administration, Franklin moved from the DIA to the Pentagon's policy branch headed by Undersecretary Douglas J. Feith, where he continued his work on Iranian affairs.

Officials and colleagues said yesterday that Franklin had traveled to Israel, including during duty in the Air Force Reserve, where he served as a specialist in foreign political-military affairs. He may have been based at the U.S. Embassy in Tel Aviv on those tours, said a former co-worker at the DIA, but was never permanently assigned there.

Messages left at Franklin's Pentagon office were not returned yesterday, and nobody answered the door at his house in West Virginia. No one has been charged in the case.

FBI officials have been quietly investigating for months whether Franklin gave classified information -- which officials said included a draft of a presidential directive on U.S. policies toward Iran -- to two Israeli lobbyists here who are alleged to have passed it on to the Israeli government. Officials said it was not yet clear whether the probe would become an espionage case or perhaps would result in lesser charges such as improper release of classified information or mishandling of government documents.

On Friday, Pentagon officials said Franklin was not in a position to have significant influence over U.S. policy. "The Defense Department has been cooperating with the Department of Justice for an extended period of time," a Pentagon statement said. "It is the DOD's understanding that the investigation within DOD is very limited in its scope."

At the Pentagon and elsewhere in Washington yesterday, people touched by the case said they were baffled by aspects of it.

Colleagues said they were stunned to hear Franklin was suspected of giving secret information to a foreign government. And foreign policy specialists said they were skeptical that the pro-Israel group under FBI scrutiny, the American Israel Public Affairs Committee, would jeopardize its work with classified documents from a midlevel bureaucrat when it could find out almost anything it wanted to by calling top officials in the Bush administration.

"The whole thing makes no sense to me," said Dennis Ross, special envoy on the Arab-Israeli peace process in the first Bush administration and the Clinton presidency. "The Israelis have access to all sorts of people. They have access in Congress and in the administration. They have people who talk about these things," said Ross, now a senior fellow at the Washington Institute for Near East Policy.

Prime Minister Ariel Sharon's office issued a statement yesterday saying Israel was not involved in the matter and conducts no espionage in the United States. AIPAC has strongly denied any wrongdoing and said it is "cooperating fully" with the probe.

The FBI investigation was touched off months ago when a series of e-mails was brought to investigators' attention, said a U.S. official familiar with the case. The investigation moved into high gear in recent days, another official said. On Friday, Justice Department officials briefed some Pentagon officials about the state of the inquiry.

"I think they are at the end of their investigation and beginning to brief people in the chain of command, partly to make sure that the acts weren't authorized," one official said.

Pentagon co-workers expressed shock at the news. "It's totally astonishing to all of us who knew him," said a Defense Department co-worker who asked not to be identified because of the investigation. "He is a career guy, a mild-mannered professional. No one would think of him as evil or devious."

Franklin works in the office of William J. Luti, deputy undersecretary of defense for Near Eastern and South Asian affairs. For years a bureaucratic backwater, the office has been in the thick of the action since 2001 because it formulates Pentagon policy on Iraq. It played a central role as the U.S. military prepared for the spring 2003 invasion and since then as the Pentagon has overseen the occupation.

Luti's office is part of the policy operation under Feith.

Feith has been a controversial figure in U.S.-Israeli affairs since the mid-1990s, when he was part of a study group of American conservatives, then out of government, who urged Israel's then prime minister, Binyamin Netanyahu, to abandon the Oslo peace accords and reject the basis for them -- that Israel should give up land in exchange for peace.

More recently, Feith has been a target of criticism from Democrats who claim that two offices in his branch -- the Office of Special Plans, headed by Luti, and the Counterterrorism Evaluation Group -- sought to manipulate intelligence to improve the Bush administration's case for war against Iraq. House and Senate intelligence committee investigators found no evidence for allegations that the Pentagon offices tried to bypass the CIA or had a major impact on the prewar debate. But in the Senate panel's report on prewar intelligence, three Democratic senators -- John D. Rockefeller IV (W.Va.), Carl M. Levin (Mich.), and Richard J. Durbin (Ill.) -- specifically criticized Feith's operation.

In Kearneysville, W.Va., about 80 miles from the Pentagon, neighbors of the Franklins interviewed yesterday said they did not know the family well. Though nobody answered the door, voices were heard in the house, which had a "God Bless Our Troops" sticker and an American flag in the window.

People who know Franklin from different phases of his life offered contrasting accounts of his political views.

A U.S. government official familiar with the investigation said Franklin was very outwardly supportive

of Israel, for example. But a former co-worker at the DIA disputed that characterization, saying that he did not recall in years of working with him any strong political statements about Israel or anything else. Franklin, he said, was a solid, competent analyst specializing in Iranian political affairs, especially the views of top leaders and the course of opposition movements.

In February 2000, Franklin wrote an op-ed piece for the Wall Street Journal's European edition that was sharply critical of Iranian President Mohammad Khatami, arguing that the leader was launching a "charm offensive" that was simply a "ruse" to make the Iranian government look better to Westerners while it continued to abuse human rights.

Details of Franklin's Air Force service, and especially his time in Israel, could not be learned yesterday. A spokesman for the U.S. Embassy in Tel Aviv declined to comment.

In Israel yesterday, Sharon's office issued a statement. "Israel does not engage in intelligence activities in the U.S. We deny all these reports," the statement said, according to the Associated Press. That followed a strong statement Friday by the Israeli Embassy in Washington denying any wrongdoing.

One Israeli official familiar with the situation said yesterday that his government had checked "every organ here" to make sure that no part of government was involved. "We checked everything possible, and there's absolutely nothing. It's a non-event, from the Israeli point of view. Someone leaked this to [hurt] . . . the president, AIPAC and the Jews on the eve of the Republican convention," he speculated.

He added that Israel would not have been involved in such activities, "because we have a trauma here in Israel. It's called Pollard."

That was a reference to the case in which a U.S. Navy intelligence analyst, Jonathan J. Pollard, admitted in 1987 to selling state secrets to Israel. Pollard was sentenced to life in prison, and Israeli officials have said since then they do not conduct espionage against the United States.

At AIPAC, spokesman Josh Block said the organization had no comment yesterday beyond its Friday statement that the organization and its employees denied any wrongdoing and were cooperating with the government. A former AIPAC employee also said he was baffled by the news of the FBI investigation. "I have a hard time figuring out what this is about," he said. If the Israelis or their supporters want to know about deliberations in the Bush administration, he said, "all they have to do is take people to lunch."

Others in Washington, however, maintained that Israel does present a problem for the United States in certain aspects of intelligence, such as sensitive defense technologies and Iran policy.

Israel sees Iran as the single biggest threat to its existence, and so closely monitors all possible moves in Washington's Iranian policy -- especially as the Bush administration presses Tehran to disclose more about the state of its nuclear program.

One former State Department officer recalled being told that U.S. government experts considered the countries whose spying most threatened the United States were Russia, South Korea and Israel. "I also know from my time in Jerusalem that official U.S. visitors to Israel were warned about the counterintelligence threat from Israel," he said.

Taking a slightly different view, others speculated that the very closeness of the relationship between the United States and Israeli governments -- and especially the tight connections between the Israelis and Feith's policy office -- may have led officials to become sloppy about rules barring release of sensitive

information.

Staff writers John Ward Anderson in Jerusalem, Dan Eggen, Amit R. Paley, Steven Ginsberg and Jerry Markon in Washington and staff researcher Madonna Lebling contributed to this report.

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Pg. 1

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Report On Iran Key To Spying Inquiry

Investigators are looking closely at Pentagon policy analyst Larry Franklin's relationships with advocates for Israel.

By Mark Mazzetti and Richard B. Schmitt, Times Staff Writers

WASHINGTON — The man at the center of an FBI investigation into possible Israeli espionage in Washington is a career Pentagon employee, a colonel in the Air Force reserves and a national security analyst who at the end of the Cold War taught himself Farsi and refashioned himself as an expert on Iran, officials said Saturday.

The FBI is trying to determine whether he is also a spy.

U.S. officials confirmed Saturday that the target of the investigation was Larry Franklin, the Pentagon's top Iran policy analyst and a confidant of Deputy Defense Secretary Paul D. Wolfowitz and Douglas J. Feith, who, as undersecretary for policy, was the Pentagon's third-ranking official.

The FBI is trying to ascertain whether Franklin turned over a draft presidential directive on policy toward Iran last year to two people affiliated with the Washington-based American Israel Public Affairs Committee, which may have given the information to Israel.

Officials are concerned because the directive was still being debated by U.S. policymakers at the time, possibly putting the Israeli government in a position to influence the final document, officials said. U.S. policy toward Iran is vital to Israel, which is gravely concerned about the expanding nuclear capability of the country run by Shiite Muslim clerics.

The probe, which is being handled by the FBI's counter-espionage division, might not result in espionage charges against Franklin.

Instead, the Pentagon analyst could be charged with lesser offenses such as improper disclosure or mishandling of classified information. Or he could be exonerated.

A U.S. official with knowledge of the case expressed doubts Saturday that Franklin's alleged actions rose to the level of espionage. Instead, he said it was more likely that Franklin, who maintains close ties with Israeli officials, passed documents to Israel without knowing the seriousness of his actions.

"From everything I've seen, the guy's not a spy," the official said. "The guy's an idiot."

According to the official, the closeness of the U.S. relationship with Israel means that top officials of the two nations often share sensitive information. Nevertheless, Franklin should have known what information was and was not permissible to be shared, he said.

"We knew this guy had the relationship for a while, and he shared some stuff beyond what he should be sharing," the official said.

Franklin did not respond to phone messages Saturday seeking comment.

Sources said that Franklin, a longtime official with the Defense Intelligence Agency, three years ago joined the Pentagon's Office of Near East and South Asian Affairs, the group charged with developing the Pentagon's policy for the Middle East. The office is run by William J. Luti, who in turn reports to Feith.

Since joining Luti's office, Franklin has been the Pentagon's leading Iran policy analyst, a job that took on greater importance after President Bush included Iran in his "axis of evil" and his appointees at the Pentagon advocated a hard line toward Iran.

As a member of the Air Force reserves, Franklin is assigned to a DIA reserve unit based in Washington.

A Pentagon statement released Friday characterized Franklin as a "desk officer" with no significant influence on U.S. policy. Yet some who have worked with him offer a different picture, saying he was very influential in high-level Pentagon policy debates.

"You're not talking about someone toiling away in the bowels of the U.S. government," said a former Pentagon official who worked for Feith until last year and spoke on condition of anonymity.

"Franklin was the go-to guy on Iran issues for Wolfowitz and Feith."

In addition, the former official characterized Franklin as an ideological ally of Wolfowitz, Feith and Luti. The three men were among the Bush administration's leading advocates of war with Iraq, and the Middle East policy office and the Office of Special Plans, both of which reported to Luti, produced analyses bolstering the U.S. case against Iraqi dictator Saddam Hussein.

"Their analysis wasn't whether we should invade Iraq, but whether we should do it on Tuesday, Wednesday or Thursday," the former official said.

FBI investigators fear that Franklin — given his influential position and high-level security clearance — may have been in a position to compromise government information about Iraq and the U.S. war effort.

Sometime after the Sept. 11 terrorist attacks, Franklin took a secret trip to Rome with Harold Rhode, another civilian official in the Pentagon, to meet with Iranian dissidents who reportedly promised to provide information to them that would aid the U.S.-declared war on terrorism.

One of the dissidents the pair spoke to was Manucher Ghorbanifar, an arms dealer and former Iranian spy who was a central figure in the Iran-Contra scandal of the 1980s.

The White House blessed the trip. Yet when news of the meeting leaked two years later, officials said they had not known that Ghorbanifar would be among the dissidents Franklin and Rhode met.

According to Defense Secretary Donald H. Rumsfeld, that meeting and a subsequent one between Rhode and Ghorbanifar "went nowhere."

Michael Ledeen, a scholar at the American Enterprise Institute in Washington who specializes in Mideast affairs, arranged the contacts between the Pentagon officials and the Iranian dissidents, which he said led to American lives being saved in Afghanistan.

Asked Saturday for comment on the investigation, Ledeen said he expected the FBI probe to yield nothing incriminating about Franklin, whom Ledeen has known for years.

"I don't believe Larry Franklin would ever do anything improper with classified information," said Ledeen, who worked as a consultant to the National Security Council and the State and Defense departments during the administration of Ronald Reagan.

Ledeen said the information Franklin was suspected of transferring was well known among foreign policy observers. The U.S. had not developed a coherent Iran policy, he said, and the divergent views of various administration officials were publicly known and available.

"There is no American policy on Iran," Ledeen said. "What is he telling them? What can there possibly be that is classified about American policy on Iran that we do not know about from the public debate?"

Franklin and Rhode also have close ties with Iraqi politician Ahmad Chalabi, whose Iraqi National Congress was the dissident organization most favored by Pentagon officials during Hussein's rule.

Chalabi met often with top officials at the Pentagon and Vice President Dick Cheney's office to advocate regime change in Iraq.

Chalabi himself has been investigated by American officials in connection with the transmission of U.S. secrets to Iran. It is unclear whether the investigations into Franklin and Chalabi are connected.

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Sharansky: Pentagon-CIA Rivalry Led To Spy Charge

By Associated Press

Allegations of Israeli spying in the United States are false and may be the result of internal conflicts between the Pentagon and the CIA, Diaspora Affairs minister Natan Sharansky said Sunday, but analysts admitted that even so, damage has been done to crucial ties between the two countries.

American officials said Saturday that the FBI has spent more than a year investigating whether a Pentagon analyst funneled highly classified material to Israel.

The material described White House policy toward Iran. Israel says Iran - and its nuclear ambitions - pose the greatest single threat to the Jewish state.

Sharansky, the first Israeli Cabinet minister to speak in public about the matter, told Canadian Broadcasting Corp. television that Israel enforces a ban on spying in the United States.

"I hope it's all a mistake or misunderstanding of some kind, maybe a rivalry between different bodies," he said, singling out "the Pentagon and the CIA."

Sharansky said the ban on espionage in the United States dates to the scandal over Jonathan Pollard, an American Jew caught spying for Israel in 1985. Sharansky, who belongs to Prime Minister Ariel Sharon's ruling Likud Party, said he has "personal experience" with the ban, but he did not elaborate.

"There are absolutely no attempts to involve any member of the Jewish community and any general American citizens to spy for Israel against the United States," he said.

Prime Minister Ariel Sharon's office issued a denial late Saturday, saying "Israel does not engage in intelligence activities in the U.S."

The scandal dominated Israeli news media on Sunday. In numerous interviews, both current and former Israeli intelligence officials said it was highly unlikely that Israel would have to spy on the U.S. government.

Legislator Ehud Yatom, chairman of the parliamentary subcommittee on covert intelligence, said he expected the allegations to be quickly withdrawn.

"I imagine that within a few days the United States will come out with an announcement that Israel has no connection whatsoever with the supposed spy and his activities," he told Israel Radio.

Uzi Arad, a former senior official in the Mossad spy agency, said the allegations were leaked to hurt the pro-Israel lobby in Washington.

"They way it was reported, they pointed out in which office (Franklin) worked," Arad told Israel Radio.
"They pointed at people like Doug Feith or other defense officials who have long been under attack within the American bureaucracy."

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August 30, 2004ALL FBI INFORMATION CONTAINED
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Spy Probe Tests US-Israel Ties

At issue: whether a Pentagon analyst passed secrets to an Israeli lobby group, and whether that group passed the material to Israel.

By Faye Bowers, Staff writer of The Christian Science Monitor

WASHINGTON — The nascent spy probe unfolding in the nation's capital could end up complicating ties between the US and Israel at a critical time in the war on terror for the Bush administration - and raise new questions about how closely the two allies should cooperate on sensitive issues.

Word leaked over the weekend that for more than a year the FBI has been investigating a Pentagon official for possibly providing Israel classified information - including a draft of a presidential directive on US policies toward Iran - through an Israeli lobby in Washington, the American Israel Public Affairs Committee (AIPAC).

Whether true or not, the revelations could sour relations between the US and one of its closest allies in the war on terror. The two countries have long shared intelligence - the US passes Israel information to help prevent attacks on its homeland and Israel shares intelligence from a stable of native Arab speakers who operate in parts of the world the US can't.

Moreover, at a time when the US is the sole superpower, wielding enormous influence, particularly in areas like the Middle East, experts say it is not unusual for friendly allies to go one step further and spy on Washington. The problem is, as perhaps happened in this case, when the snooping goes beyond acceptable bounds.

"If they are found to be spying on us, it wouldn't be a shock," says Jim Walsh, an international security expert at Harvard University's John F. Kennedy School of Government. "But the closer the friendship, and the more sensitive the information, the more likely it is to leave an impression on the personal relationships. People will feel betrayed, particularly government leaders."

The Pentagon official identified as being at the center of the probe is Lawrence Franklin, an Iran specialist at the Defense Intelligence Agency and a former colonel in the Air Force Reserves. Reports indicate that Mr. Franklin is being investigated for allegedly passing on sensitive papers about US policy toward Iran to AIPAC, which then supposedly handed them on to the Israeli government. Franklin works in the office of William Luti, who reports to Douglas Feith. Mr. Feith and the policy branch he heads at the Pentagon have been under scrutiny because of the role they played in formulating the Pentagon's Iraq war strategy.

Franklin hasn't been available for comment. Some people who know him have said they think the accusations are groundless. The Pentagon released a statement saying it is fully cooperating with the FBI investigation, which it insists is "limited in scope." The Israelis, for their part, are vehemently denying complicity in any espionage activity. "Israel does not engage in intelligence activities in the US," Israeli

Prime Minister Ariel Sharon said in a statement.

AIPAC, too, proclaims innocence. "Any allegation of criminal conduct by AIPAC or our employees is false and baseless," a statement says.

Still, now that the probe has become public, speculation will continue until a conclusion is reached. And whether Israel is guilty or not, there will be residual damage to the relationship, experts say. For one thing, it reminds people of the time Israel was caught spying on the US once before. In 1987, a US Navy intelligence analyst, Jonathan Pollard, admitted to selling state secrets to the Israelis. "I think this will escort us for many years to come," says Danny Yatom, a former chief of the Mossad, Israel's foreign intelligence arm. "There was one attempt made by Pollard, and since then there is still an assessment that Israel will try again whenever it is pushed into a corner."

In addition, experts say the relationship between the US and Israel has become so lax - because of the cozy ties between the two countries at the moment - that there was bound to be this sort of problem. "The Israelis have always had more access than other friendly countries," says Patrick Lang, former head of Middle East intelligence at the Defense Intelligence Agency. "The liaison relationships between the Israeli and American services are highly developed, codified, and have functioned for many years."

In this climate, he says, it is easy to share information without checking the rulebook, which can lead to problems. Indeed, some experts say the level of sharing will provoke other questions, even if the incident turns out not to be serious.

"Why does this guy think he should share this type of information? asks Mr. Walsh. "If this is just standard operating procedure, then it does raise serious policy issues."

It is still not clear whether the charges will be serious (possibly espionage), or something more mundane (mishandling of documents), or whether there will be charges at all. FBI officials reportedly were tipped to a potential problem months ago by a series of email exchanges. The investigation recently ratcheted up to the point where Justice Department officials have begun briefing Pentagon officials.

Josh Mitnick contributed from Tel Aviv.

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Israel Denies Spying Against U.S.

By Steven Erlanger

JERUSALEM, Aug. 28 - News that the F.B.I. has been investigating a Pentagon official on suspicion of passing secrets to Israel has caused a diplomatic scramble here, with officials rushing to deny spying on Washington and to assure the United States of its friendship.

Administration officials say the Pentagon official, who has been identified in some news reports but who could not be reached for comment early Saturday, works in the office of Douglas J. Feith, the under secretary of defense for policy.

Officials who have been briefed about the inquiry say the official is suspected of passing a classified policy draft on Iran to the American Israel Public Affairs Committee, a pro-Israel lobby group, which in turn is thought to have provided the information to Israeli intelligence.

Publicly, the Israeli government, through its spokesmen here and in Washington, have called the allegations wrong and outrageous, as has Aipac, the lobbying group.

"The United States is Israel's most cherished friend and ally," said David Siegel, the Israeli Embassy spokesman. "We have a strong ongoing relationship at all levels, and in no way would Israel do anything to impair this relationship."

Aipac called the allegations "baseless and false."

After the hugely embarrassing spying scandal of 1985, when Jonathan Pollard, an American intelligence analyst, was arrested and convicted of spying for Israel, the Israeli government made a firm decision to stop all clandestine spying in the United States, Yuval Steinitz, the chairman of the foreign and defense committee in Parliament, said Saturday.

Mr. Steinitz is chairman of the most powerful committee in Parliament, with oversight of all Israeli military and intelligence agencies, and is chairman of the subcommittee on intelligence. He says he has access to as much secret information as Prime Minister Ariel Sharon.

"This was a firm decision," Mr. Steinitz said, "and I'm 100 percent confident - not 99 percent, but 100 percent - that Israel is not spying in the United States. We have no agents there and we are not gathering intelligence there, unlike probably every other country in the world, including some of America's best friends in Europe."

Mr. Sharon's office emphasized the same point on Saturday, issuing a statement saying: "Israel has no connection to this matter. The United States is Israel's greatest ally. Israel is not engaged in intelligence activities in the United States and denies reports to the contrary."

But Israeli officials also acknowledged that Iran is a vital security issue for them as well as for the United States, and that the views of Washington policy makers and analysts are of great interest to Israel.

Mr. Steinitz in particular considers Iran a nuclear superpower in the making, working on weapons that can hit Europe, as well as Israel, and he urged Washington and Europe to deal with Iran "before it is too late."

Still, reports of the F.B.I. investigation caused a furor here. And officials went to pains on Saturday to say that despite the importance of such intelligence, Israel only works openly in America, including diplomatic conversations and relationships with a full range of sources, from the White House and Congress to Aipac, which has its own sources. "America is the great exception," one official said. Mr. Steinitz said, "People leak sometimes when they shouldn't, that goes on everywhere, but that's a different matter."

While Israel has representatives of the Mossad, its intelligence agency, and military intelligence in Washington, they are attached to the embassy and their presence is known to American authorities, officials said.

Yossi Melman, an intelligence and terrorism expert with the Israeli daily Haaretz, said Saturday that since the case of Mr. Pollard, who remains in prison in the United States, "I know there has been a decision not to run any operations on American soil or to recruit Americans to spy for Israel."

Mossad, he said, is under instructions to have no direct contact even with officials from Aipac, "and I know that Israel is very, very sensitive about having even open contacts with Jewish members of the administration, because of the ramifications of Pollard" and the concern that Israel would be accused of playing on any dual loyalty that an American Jew might feel.

This is a case of an American accused of passing information to an American organization, Mr. Melman said. "While Aipac is pro-Israel, and maintains contacts with the Israeli Embassy and shares analysis, it does not deal with Israeli intelligence services," he said. "If Aipac passed on a secret document, that would be a sensitive matter for Israel. But if Aipac said, 'It's our understanding that the Americans in Doug Feith's office are thinking this and that,' that's different," he said.

But the lines are often hard to draw, especially with an issue as sensitive as the one involving Iran, which is considered by American and Israeli officials to be working on nuclear weaponry even though it has said its program is only to generate electricity - in a sense, presenting a publicly ambiguous stance, much as does Israel, which has developed nuclear weapons as a deterrent but refuses to discuss the matter. Iran is also interesting to Israel, although less so to the United States, for the financial and military support it provides Hezbollah, the militant anti-Israel group based in Lebanon and active in the West Bank.

For Mr. Steinitz, a hawk with Likud, Iran is a clear and present danger for the entire West. "The Iran nuclear program is so ambitious that after producing a first bomb, they could produce 20 bombs a year," he said. "This isn't North Korea or Iraq or even Pakistan. Iran will soon become a global power with intercontinental missiles that will threaten Europe and NATO, with disastrous political results for Israel, the moderate Arab world and the United States," he said.

But the problem of Iran is global, he said. "It's up to the Americans and Europeans to solve Iran, not little Israel."

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Pg. 17

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Officials Worry About Effects Of Spy Accusations

Hope Pentagon reports are found to be a 'misunderstanding'

By Abraham Rabinovich; The Washington Times

JERUSALEM — Israeli officials yesterday said reports that a Pentagon analyst passed classified information to Israel seriously could damage the nation's image in America, even as they denied any role in such an operation.

"There is no doubt that these publications are damaging, [and] even though they are false, they are damaging," said Natan Sharansky, who as minister for diaspora affairs is responsible for the effects of anti-Semitism on Jews worldwide.

American officials said this weekend that the FBI has spent more than a year investigating whether a Pentagon analyst funneled highly classified material to Israel concerning U.S. policy toward Iran.

Both Israel and the United States are worried that Iran's nuclear-energy program is a front for an effort to develop nuclear weapons.

"I hope [the investigation] is all a mistake or misunderstanding of some kind," Mr. Sharansky told the Canadian Broadcasting Corp.

Mentioning "the Pentagon and the CIA" specifically, Mr. Sharansky suggested that the probe might have resulted from "a rivalry between different bodies."

Former Mossad chief Danny Yatom said the Israeli government laid down strict guidelines to prohibit espionage against its major ally after the arrest in 1985 of Israeli spy Jonathan Pollard.

Pollard, a former official in U.S. Naval Intelligence, is serving a life sentence in the United States.

Although the two countries have very close defense and political ties, the American intelligence community has been sensitive to the possibility of Israeli intelligence penetration ever since Pollard's arrest.

With the issue dominating Israeli public-affairs shows yesterday, Mr. Yatom pointed out that Israeli and American officials and academics have hundreds of formal and informal meetings every year.

"It could be that someone [in the United States] innocently did something that is forbidden by American law. But there was no mobilization of agents by Israel or instructions given to them about what to look for, as with Pollard," he said.

Mr. Yatom said he hoped the latest episode would prove to be no more serious than "an unnecessary initiative on the part of an American official."

Another former senior Mossad official, Uzi Arad, said he had met with the Pentagon analyst named in press reports as the suspect, Larry Franklin, along with other Pentagon officials as part of his ongoing contacts in the United States.

"Our two countries have open relations," he said. "Collegial relations. It's clear that when we get together we don't talk about the Olympics."

Nevertheless, the investigation provides ammunition to those who charge that Israel has undue influence in the United States and that it influenced Washington to undertake the war in Iraq — a charge dismissed as absurd by both the Bush administration and Israel.

The episode also has renewed concerns about conflicted loyalties among American Jews, which were brought to the fore by the Pollard affair.

Although Mr. Franklin is not Jewish, the purported mole is suspected of having passed on secrets regarding American policy on Iran to two members of the pro-Israeli lobby, the American Israel Public Affairs Committee, who in turn passed them on to an Israeli official.

Senior Jewish officials in the Bush administration — including Mr. Franklin's boss, Undersecretary of Defense Douglas J. Feith — also have been accused of promoting the war with Iraq as a way to help Israel.

Mr. Arad seemed to suggest in an interview with Israeli radio that the press reports were deliberately leaked to hurt Israel's supporters in Washington.

"They pointed out in which office [Mr. Franklin] worked," he said. "They pointed at people like Doug Feith or other defense officials who have long been under attack within the American bureaucracy."

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Pg. 13

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Information-Passing Inquiry Could Expand

U.S. secrets may have gone to Israel

By Toni Locy and Barbara Slavin, USA Today

WASHINGTON — An investigation into whether a midlevel Pentagon analyst passed information about U.S. policy on Iran to pro-Israel lobbyists could expand into a broader inquiry into whether more U.S. secrets were shared with Israel, two federal law enforcement officials said Sunday.

Pentagon analyst Lawrence Franklin is suspected of having given either an internal administration document or an oral summary of its contents to the American Israel Public Affairs Committee (AIPAC), said the officials, who have knowledge of the case but asked not to be named because the investigation is ongoing. One official said charges as serious as espionage could be filed soon. The other official said the FBI hopes Franklin will cooperate. If he does, he may face a lesser charge such as mishandling classified documents.

Spokesmen for AIPAC and the Israeli government have denied the notion, first reported Friday by CBS News, that Franklin shared the contents of a draft U.S. policy document on Iran with AIPAC members who then passed the information to Israel.

"Any allegation of criminal conduct by AIPAC or our employees is false and baseless," the organization said in a statement on its Web site. "Neither AIPAC nor any of its employees has violated any laws or rules, nor has AIPAC or its employees ever received information they believed was secret or classified."

Much about the case is puzzling. The document Franklin is suspected of having shared, an internal statement on U.S. policy on Iran, was never published because of differences within the Bush administration about how to deal with that country.

Israel, which fears Iran is close to developing nuclear weapons, has myriad ways of finding out and influencing U.S. policy, as does AIPAC, a half-century old organization considered the most influential foreign affairs lobby in the United States.

"AIPAC doesn't need to deal with midlevel people like this guy," says Dennis Ross of the Washington Institute for Near East Policy, a think tank whose trustees include AIPAC members. "Why create a risk by dealing with someone who is not at the policy level? It doesn't add up to me at all."

The investigation is taking place in an atmosphere of political recriminations in Washington focused on so-called neoconservatives — strong supporters of Israel who lobbied for the U.S. invasion of Iraq and downplayed the difficulties U.S. forces would face there.

The Franklin investigation comes as a separate inquiry looks into who leaked information about U.S.

methods of spying on Iran to Ahmad Chalabi, an Iraqi politician who was once favored by the neoconservatives as a likely leader of the new Iraq. One of the law enforcement officials said "there may be some crossover" between the two investigations, but only because the information in both deals with Iran.

Franklin is an Air Force reservist who served in Israel and also worked for the Defense Intelligence Agency, the Pentagon's in-house intelligence organization. An Iran analyst, Franklin works for Douglas Feith, undersecretary of Defense for policy.

Before becoming the Pentagon's No. 3 official, Feith was a private attorney in Washington who represented Israeli companies. In 1996, Feith co-authored a study for an Israel-based institute that advocated overthrowing Iraqi leader Saddam Hussein as a means of weakening another Israeli enemy, Syria.

Franklin, who lives in West Virginia, could not be reached for comment.

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August 29, 2004ALL FBI INFORMATION CONTAINED
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FBI's Pentagon Probe Is Another Burden For Rumsfeld

Dow Jones Newswires

WASHINGTON (AP)--The FBI investigation into whether a Pentagon analyst passed classified information to Israel is yet another political weight on Defense Secretary Donald H. Rumsfeld, still fending off criticism over the Iraq war and prisoner abuse.

It is not clear whether the investigation will result in charges of espionage at the Pentagon. At the least, the probe complicates Rumsfeld's position as congressional committees that oversee the Defense Department prepare for more hearings on the abuse scandal.

Rumsfeld has not commented publicly on the FBI's investigation. While the FBI has spent more than a year on the case, it only became public Friday.

Officials, speaking on condition of anonymity, say the investigation is focused on Lawrence A. Franklin, an analyst of Iranian affairs who works in a policy office headed by Douglas J. Feith, the undersecretary for policy. Feith has been accused by Democrats of seeking to manipulate intelligence to help make the case for going to war in Iraq. Congressional investigations have found no evidence of that.

The New York Times reported on its Internet site in a story for Monday's editions that government officials say Franklin had been cooperating with federal agents for several weeks and was preparing to lead them to contacts inside the Israeli government when work of the investigation, first reported by CBS News, was leaked late last week.

The Israeli government has denied spying on the United States.

Efforts to reach Franklin by telephone have been unsuccessful. Local law enforcement officers have kept reporters and photographers away from his secluded home in rural West Virginia, about a 90-minute commute from Washington.

The Washington Post reported Sunday that the FBI investigation has broadened to include interviews with individuals at the State and Defense departments as well as Mideast affairs specialists outside the government. Israeli officials predicted that the allegation it got secret information on White House policy toward Iran from the Pentagon analyst would prove false.

Vincent Cannistraro, a retired CIA officer and former director of White House intelligence programs during the Reagan administration, said Sunday, "It's another scandal for the Pentagon," with the potential in this case of going beyond the single individual under investigation.

Larry Di Rita, Rumsfeld's chief spokesman, said Sunday that the Pentagon is sticking by its initial statement Friday that it understands the investigation is limited in scope. He said it would be inappropriate for him or Rumsfeld to comment further because it is an active investigation.

As for the possible political implications for Rumsfeld at the height of a presidential election campaign, Di Rita said, "I would not try to predict how the political season will affect this."

Early in his tenure at the Pentagon, Rumsfeld spoke out publicly against the unauthorized release of classified information. He undertook a special investigation when some elements of Pentagon planning for war in Iraq leaked to the news media in 2002.

In his 3 1/2 years as secretary, Rumsfeld has had a sometimes rocky relationship with Congress. When the administration began a global fight against terrorism in response to the attacks of Sept. 11, 2001, his stock rose quickly and he gained popularity for his tough approach.

But as the insurgency in Iraq took hold in the summer of 2003 and the casualty toll for American troops mounted - more than 950 have been killed - Rumsfeld became a target of criticism on Capitol Hill.

A Time magazine poll released Saturday said 39% of those surveyed approve of the job Rumsfeld has done and 37% disapprove. They were split on whether President Bush should replace Rumsfeld : 49% said Rumsfeld should go and 48% preferred that he stay.

Rumsfeld, 72, took much political heat when the Abu Ghraib prisoner scandal came to light in April with photographs of U.S. soldiers abusing and sexually humiliating Iraqi prisoners.

Two official investigations found that the highest levels of the Defense Department shared blame for management lapses that may have contributed to the problems at Abu Ghraib. But those reviews found no evidence to suggest that Rumsfeld ordered, encouraged or condoned any abuse of Iraqis.

To the suggestion that Rumsfeld resign over the abuse scandal, former Defense Secretary James Schlesinger said last week that such a development would be a "boon to all of America's enemies."

Schlesinger headed an independent panel that looked into the abuse. A second panelist, former Defense Secretary Harold Brown, agreed that Rumsfeld acted appropriately.

"If the head of a department had to resign every time anyone down below did something wrong, it would be a very empty Cabinet table" Brown said.

That was just days before news broke of the FBI investigation at the Pentagon.

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August 30, 2004ALL FBI INFORMATION CONTAINED
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Officials Say Publicity Derailed Secrets Inquiry

By David Johnston and Eric Schmitt

WASHINGTON, Aug. 29 - The Pentagon official under suspicion of turning over classified information to Israel began cooperating with federal agents several weeks ago and was preparing to lead the authorities to contacts inside the Israeli government when the case became publicly known last week, government officials said Sunday.

The disclosure of the inquiry late on Friday by CBS News revealed what had been for nearly a year a covert national security investigation conducted by the F.B.I., according to the officials, who said that news reports about the inquiry compromised important investigative steps, like the effort to follow the trail back to the Israelis.

As a result, several areas of the case remain murky, the officials said. One main uncertainty is the legal status of Lawrence A. Franklin, the lower-level Pentagon policy analyst who the authorities believe passed the Israelis a draft presidential policy directive related to Iran.

No arrest in the case is believed to be imminent, in part because prosecutors have not yet clearly established whether Mr. Franklin broke the law. But the officials said there was evidence that he turned the classified material over to officials at the American Israel Public Affairs Committee, a pro-Israel lobbying group. Officials of the group are thought to have then passed the information to Israeli intelligence.

The lobbying group and Israel have denied that they engaged in any wrongdoing. Efforts to reach Mr. Franklin or his lawyer have not been successful. Reporters who went to Mr. Franklin's residence in West Virginia on Sunday were asked by a local sheriff not to approach the house. Friends of Mr. Franklin's, like Michael Ledeen of the American Enterprise Institute, said the accusations against him were baseless.

As the overall outline of the case emerged more clearly, doubts about some aspects of it seemed to stand out in sharper relief. Investigators, the officials said, may never fully understand the role of two officials for the lobbying group who they believe were in contact with Mr. Franklin. Nor are they likely to be able to completely determine whether Israel regarded the entire matter as a formal intelligence operation or as a casual relationship that Mr. Franklin himself may not have fully understood.

Investigators do not know, for example, whether Israeli intelligence officers "tasked" intermediaries at the group to seek specific information for Mr. Franklin to obtain, which would make the case more serious. Officials said some investigators speculated that Israeli officials might have passively accepted whatever classified material that officials for the lobbying group happened to get from Mr. Franklin.

Moreover, Mr. Franklin appears to be an unlikely candidate for intelligence work. Although he was involved with Middle East policy, a defense official said Sunday that he had no impact on United States policy and few dealings with senior Pentagon officials, including the deputy defense secretary, Paul D.

Wolfowitz.

At one point in the run-up to the Iraq war in early 2003, Mr. Franklin was brought in to help arrange meetings between Mr. Wolfowitz and Shiite and Sunni clerics across the United States, a defense official said. But he was never regarded as an influential figure.

"He was at the bottom of the food chain, at the grunt level," a senior defense official said. Another defense official said Mr. Franklin "had a certain expertise and had access to things, but he wasn't a policy maker."

Still, as a desk officer, especially one with a background at the Defense Intelligence Agency, Mr. Franklin would have had top-secret security clearance. That would have given him access to most of the nation's most-sensitive intelligence about Iran, including that relating to its nuclear program, Pentagon officials said. He would also have had access to diplomatic cables and drafts of confidential documents about the administration's policies toward Iran.

While the facts of the case remained unclear and contradictory, the inquiry has stirred deeply emotional responses. On Sunday, in an event held on the eve of the Republican National Convention, Bernice Manocherian, the president of the American Israel Public Affairs Committee, described the allegations against her group as "outrageous, as well as baseless."

In a speech in New York to Jewish Republicans, Ms. Manocherian said, "We will not allow innuendo or false allegations against Aipac to distract us from our central mission." The event was sponsored by the group, along with the Republican Jewish Coalition and the United Jewish Communities.

Even so, officials who discussed the case on Sunday, including three who have been briefed on it recently, said it began as a highly confidential inquiry into what counterintelligence agents from the Federal Bureau of Investigation regarded as a serious allegation of possible spying that appeared to go well beyond the extensive information-sharing relationship that exists between the United States and Israel.

The F.B.I. obtained warrants from a special federal court for surveillance under the Foreign Intelligence Surveillance Act and for months kept tabs on Mr. Franklin.

In an article on its Web site on Sunday, Newsweek magazine reported that the bureau first learned of Mr. Franklin when agents observed him walking into a lunch in Washington between a lobbyist for the American Israeli group and an Israeli embassy official.

American officials would not comment on the report. Israeli officials said Sunday that the lobbying group's main point of contact in Washington was Naor Gilon, who is described in a biography on the Israeli Embassy's Web site as the minister of political affairs. Israeli officials said Mr. Gilon had no involvement in intelligence matters. Efforts to reach him on Sunday were not successful.

Mr. Franklin began cooperating with agents this month in an arrangement that is still not completely understood. He agreed to help the authorities monitor his meetings with his contacts at the lobbying group. It is not clear whether the authorities in exchange agreed to grant him any form of leniency.

Current and former defense officials said this weekend that Mr. Franklin worked for the Defense Intelligence Agency for most of his career in the government until 2001, when he was detailed to the Pentagon's policy office, headed by Douglas J. Feith, the under secretary of defense for policy. Mr.

Franklin is one of about 1,500 people who work for Mr. Feith.

When he transferred to the Pentagon policy office, Mr. Franklin was assigned to the Northern Gulf directorate to work on issues related to Iran. After the attacks of Sept. 11, 2001, that office was expanded and renamed the Office of Special Plans, and did most of the policy work on Iraq in the run-up to the war. Mr. Franklin was a part of that office but continued to work on Iran.

In his job, Mr. Franklin is one of two Iran desk officers in the Pentagon's Near Eastern and South Asian Bureau, one of six regional policy sections. The Near Eastern office is supervised by William J. Luti, a deputy under secretary of defense, who also oversaw the Pentagon's Office of Special Plans, which conducted some early policy work for the 2003 invasion of Iraq.

According to former colleagues, Mr. Franklin was originally a Soviet specialist at the D.I.A. who transferred to the agency's Middle East division in the early 1990's. He learned Farsi and became an Iran analyst, developing extensive contacts within the community of Iranians who opposed the Tehran government.

"He was very close to the anti-Iranian dissidents," one former colleague said. "He was a good analyst of the Iranian political scene, but he was also someone who would go off on his own."

Richard A. Opiel Jr. contributed reporting from West Virginia for this article, and Steven Erlanger from Jerusalem.

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Washington Post
August 31, 2004
Pg. 3

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FBI Interviews Senior Defense Officials In Probe Of Analyst

Investigators Looking At Contacts With Israelis

By Bradley Graham and Dan Eggen, Washington Post Staff Writers

The FBI has interviewed several senior Pentagon officials in recent days in connection with an investigation of a Defense Department analyst who is suspected of providing classified documents to Israel but has been cooperating with investigators for several weeks, government officials said yesterday.

Douglas J. Feith, undersecretary for policy, and Peter Rodman, assistant secretary for international security affairs, are among those who met with FBI agents on Sunday and Monday about the case, which has focused on contacts between a lower-level Pentagon analyst, Lawrence A. Franklin, and the American Israel Public Affairs Committee (AIPAC), officials said.

Higher-ranking government officials have also been briefed about the FBI investigation in recent days, including Secretary of State Colin L. Powell. State Department spokesman Richard Boucher said Powell was briefed over the weekend during a telephone call by James B. Comey, the deputy attorney general, and told his senior aides at a meeting yesterday to "cooperate in any way with any requests that might come from the investigators."

U.S. government officials familiar with the Pentagon interviews, who declined to be identified because of the sensitive nature of the case, characterized them as an attempt by FBI investigators to determine whether Franklin received authorization from any superior to engage in the actions that investigators are probing. The FBI has been forced to accelerate its investigation since the case broke into public view through media reports Friday.

Franklin is suspected of having passed classified information -- including a draft presidential directive on U.S. policy toward Iran -- to AIPAC, the major Israeli lobbying group in Washington, which in turn may have passed it to Israel. AIPAC and Israel have denied the allegations.

Law enforcement officials said yesterday that federal prosecutors in Alexandria were closer to filing charges in the case and that Franklin -- who has been cooperating with FBI agents from the Washington field office -- could be among those arrested. It was not clear whether Franklin would agree -- or be allowed -- to plead guilty to a lesser charge in exchange for cooperation.

"It appears they're wrapping this thing up, and so they were checking with the chain of command to make sure no one had authorized him to do any of this," said one official, who spoke on the condition he not be identified further.

Franklin, who has not responded to repeated requests for comment at his office and home, first came to the attention of the FBI more than a year ago, when he showed up at a lunch between an Israeli diplomat

and an AIPAC official that was being monitored by FBI counterintelligence agents, two law enforcement officials said yesterday.

Law enforcement and defense officials have declined to say what that original investigation was about, and whether it continues apart from the Franklin probe or has been abandoned. One law enforcement official who has been briefed on the Franklin case said it is part of a broader FBI inquiry, but the official declined to elaborate.

Defense officials familiar with the case emphasized yesterday that the number of those at the Pentagon approached by the FBI should not be taken as a sign that the investigation was widening. They characterized the meetings as part interview, part briefing session, used by FBI authorities not only to gain information for their probe but also to brief senior defense officials about the status of the case, which came as a surprise to many at the Pentagon.

The list of those interviewed over the past several days runs from William J. Luti, who heads the section on Near East and South Asian affairs where Franklin is assigned as a desk officer on Iran, through Rodman and Feith. All told the FBI that they did not give Franklin permission to give AIPAC or the Israelis any of the material at issue, officials said.

At the Pentagon, before Friday's disclosure, only Defense Secretary Donald H. Rumsfeld, Deputy Defense Secretary Paul D. Wolfowitz and department lawyers had been informed of the investigation, which has been underway for more than a year, officials said.

"The FBI is focused on one suspect," one official said. "The briefings and interviews that they're doing have been a routine part of their probe -- not a broadening of the list of suspects."

At the same time, several defense officials said the FBI has not told them everything that investigators have learned in the course of the probe, making it difficult to be certain of the outcome.

The premature disclosure has caused problems for investigators, according to numerous law enforcement officials speaking on the condition of anonymity because the probe is ongoing.

"This has severely hampered their investigation," one law enforcement official said. "It's impossible to tell what might have been lost because of all this."

An Israeli official in Washington said the embassy has not received any formal notice from U.S. authorities that there is an investigation of the Franklin case. He also said reports of the case were growing increasingly exaggerated.

"Given the level of dialogue between the United States and Israel, this makes little sense," the official said. "We basically pick up the phone and call when we want to discuss policy. We have formal and transparent and open discussions on all these issues. It's not like there are differences on these subjects."

Naor Gilon, the embassy's top political diplomat, who has been identified in several media accounts as having met with Franklin, said in an interview with the Israeli newspaper Maariv published yesterday that "my hands are clean."

"All my activities are well within the parameters of accepted diplomatic norms and procedures," he said, adding that he was concerned the scandal will affect his work in Washington: "Everyone would think twice now before talking to me."

In Jerusalem yesterday, Foreign Minister Silvan Shalom told members of the Israeli cabinet that there was no truth to allegations of spying and said the embassy "never deviated either from diplomatic norms or from the good and open dialogue between Israel and the U.S.," according to an official account of his statements.

An American not in government who was interviewed by the FBI last week described the line of questioning as a "fishing expedition" that did not include any mention of Franklin or Iran.

The FBI appeared more concerned about people this person knows who were looking for access to intelligence or classified information.

"I was left startled that in a town of award-winning journalists, law enforcement officials were asking if anyone I knew might be interested in classified information," the person said. "It was a fishing expedition. It was an extremely odd conversation."

Staff writers Molly Moore in Jerusalem and Robin Wright and Jerry Markon in Washington contributed to this report.

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2d Probe At The Pentagon Examines Actions On Iraq

By Bryan Bender, Globe Staff

WASHINGTON -- The Pentagon office in which an analyst is the focus of an investigation into the possible passing of secret documents to Israel is at the heart of another ongoing probe on Capitol Hill.

The broader probe is trying to determine whether Defense Department officials went outside normal channels to gather intelligence on Iraq or overstepped their legal mandate by meeting with dissidents to plot against Iran and Syria, according to Bush administration and congressional officials.

Senate Intelligence and House Judiciary Committee staff members say inquiries into the Near East and South Asia Affairs division have found preliminary evidence that some officials gathered questionable information on weapons of mass destruction from Iraqi exiles such as Ahmed Chalabi without proper authorization, which helped build President Bush's case for an invasion last year.

The investigators are also looking into a more serious concern: whether the office engaged in illegal activity by holding unauthorized meetings with foreign nationals to destabilize Syria and Iran without the presidential approval required for covert operations, said one senior congressional investigator who has longtime experience in intelligence oversight.

Government officials seeking the cooperation of foreign nationals to take secret action against other countries need a so-called presidential finding to engage in such activity.

The office, led by William J. Luti, a former Navy captain and adviser to then-House Speaker Newt Gingrich, is a powerful cog in Bush administration policy making, populated by some ideologically-minded individuals who see their government service as a way to promote democracy in the Middle East and improve US-Israel ties, according to colleagues inside and outside government.

The recent investigation into whether analyst Larry Franklin provided documents on Iran to a pair of lobbyists with the pro-Israel American-Israel Public Affairs Committee -- who then allegedly passed them to the Israeli government -- has placed the little-noticed Pentagon office in the national spotlight at a time when the Bush administration is attempting to convince voters that the president has been a competent manager of national security affairs.

Douglas Feith, undersecretary of defense for policy, who oversees the Near East office, declined to comment. Luti and Franklin did not respond to messages.

Richard Perle, a former assistant secretary of defense in the Reagan administration and current adviser to the Pentagon, said the investigations are baseless and politically motivated.

"It's pretty nasty, and unfortunately the administration doesn't seem to have it under control," said Perle, calling on the administration to defend Feith more vigorously.

Both Perle and senior Defense officials, speaking on the condition of anonymity, deny that the policy office or two controversial subgroups have ever engaged in intelligence-gathering activities. The division's work, they said, has consisted only of drafting policy options for superiors.

They contend that the now-defunct Policy Counterterrorism Coordination Group, set up after the Sept. 11 attacks to search for links between Al Qaeda and state sponsors such as Iraq, never gathered intelligence; it only reevaluated previous government findings. The Iraq War planning group called the Office of Special Plans, meanwhile, did not engage in any wrongdoing or questionable contacts, they said.

But investigators for the Senate Intelligence Committee, which is closely scrutinizing the office as part of a formal probe of pre-Iraq War intelligence-gathering, and Democratic members of the House Judiciary Committee, who are conducting a preliminary probe, say that the full picture of the office's activities may include more than meets the eye. They are seeking additional documents and interviews from policy officials.

After months of delay, the investigators said, they are getting cooperation from Feith and his staff.

Some of the incidents that prompted the probes are already known.

Franklin and another employee, Harold Rhode, met secretly with Manucher Ghorbanifar, an Iranian arms dealer, in Italy in December 2001 and subsequently in Paris. The Paris meeting was not approved by Pentagon officials.

Ghorbanifar, who has been linked to the Iran-contra scandal of the 1980s, has said the men discussed ways to destabilize the Iranian regime, labeled a part of President Bush's "axis of evil" for support of terrorist groups and suspected development of weapons of mass destruction.

Defense Secretary Donald H. Rumsfeld said last fall that the meeting was requested by Iranian officials to discuss the war on terrorism, but nothing came of it.

But one congressional investigator said staffers are looking into whether there was an exchange of money between US officials and Ghorbanifar or other Iranians, and whether any proposals for cooperation included seeking assistance from the Mujahedin-e Khalq, a group in Iraq that is seeking to overthrow the Iranian regime but is labeled a terrorist group by the US State Department.

Another Near East policy official, F. Michael Maloof, was stripped of his security clearance a year ago after the FBI linked him to a Lebanese-American businessman under investigation by the FBI for weapons trafficking. A handgun registered to Maloof was found in the possession of Imad el Hage, a suspected arms dealer.

Investigators are seeking to learn whether Maloof's alleged contacts with Hage and a hard-line former Lebanese general, Michel Aoun, may have been part of a back-channel effort to destabilize Syria, which has occupied Lebanon for nearly two decades.

"People are concerned about covert action being conducted by a policy office with no legal mandate to do so," said one Democratic official involved in the Judiciary Committee inquiry. "If the Senate and House intelligence committees in their review only look at the Chalabi relationship but don't look at the office's role in what was in effect covert action to explore regime change in the entire arc of the Middle East, then their inquiry will be a joke."

The official said he is trying to determine if some of the office's activities may have been prohibited by the Hughes-Ryan Amendment, which holds that all activity to undermine a foreign government must be approved by the president in a specific document approving such activity.

Supporters of Feith and his policy advisers roundly deny accusations that the office is a rogue operation. They say the two ongoing FBI inquiries into alleged leaks of classified information amount to what one called "McCarthyism," a sustained campaign by opponents of Bush's policies to discredit their views and brand them as pawns for the Israeli lobby merely because they are pushing for stronger action against terrorist states.

They note that no arrests have been made, only charges and leaks to journalists from unnamed officials.

"It sounds to me that it is an investigation that was leaked for maximum adverse affect on the office, which has been subjected to a lot of other criticism," said Frank Gaffney, president of the conservative Center for Security Policy and a former assistant defense secretary under President Reagan. "You have people who are controversial. They are taking positions that last time I checked, the president . . . was closely associated with, that are opposed by other people in the bureaucracy.

"One of the tricks of bureaucratic warfare is to attack them in the press. It makes them less effective," Gaffney said. "I think that is going on here."

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DATE 07-29-2010 BY 60324 uc baw/sab/lsg

Israel's Albatross: U.S. Neocons

By Robert Scheer

With friends like these, Israel doesn't need enemies. The purported Israeli "spy caper" is another sign that the neoconservatives in the Bush administration, who claim to be big supporters of Israel, on the contrary, have increased the risks for the Mideast's only functioning democracy.

As the developing story goes, a neocon Pentagon official allegedly gave classified documents to the American Israel Public Affairs Committee, the pro-Israel lobby, which then passed them on to the Israeli Embassy.

So far, these are only unproved accusations. It is disturbing that some well-placed officials in the Bush administration have leaked to the media allegations of spying against the Pentagon official and a respected ally. As demonstrated in the phony, Clinton-era China spy case, in which Los Alamos nuclear weapons scientist Wen Ho Lee was smeared, such lurid charges may not stick. But the charges now circulating do call attention to the regime-change ideologues in the Pentagon, whose antics have left Israel more vulnerable than at any time in recent memory.

First, the Bush administration abandoned the Israel-Palestinian peace process and the United States' historical role as a good-faith broker between the two sides. Then, after 9/11, the tight band of so-called neoconservatives who had championed the invasion of Iraq for years, both in Israel and in the U.S., successfully completed their hijacking of U.S. foreign policy by landing us in the Iraq quagmire.

This has only served to inflame passions across the region, increasing the threat to Israel. Many Israelis concerned for their country are alarmed by President Bush's substitution of militarism for diplomacy, which they believe only benefits those who profit from fear and hate — such as arms brokers and political and religious extremists.

In addition, moderates across the Muslim world have seen their position eroded by popular anger over the U.S. occupation and Washington's uncritical support for Ariel Sharon. Al Qaeda and allied terror groups have seized on the chaos and fury to recruit a new generation of fighters. Extremists are now in control of crucial parts of Iraq and disrupting the rest, while rogue Iran is more politically influential among their co-religionists in the Shiite majority in Iraq than is the U.S. with its 120,000 troops on the ground.

Now, after the missing weapons of mass destruction and Abu Ghraib, comes the latest embarrassing blow to America's image — which polls show has been in free fall since the decision to invade Iraq. It centers on neocon Larry Franklin, the Pentagon's chief Iran analyst, who, according to unnamed officials, is under investigation for allegedly supplying the American Israel committee with a secret draft presidential directive on U.S.-Iran policy that was allegedly passed on to Israel.

Franklin is an ideological comrade of his bosses, Douglas J. Feith, undersecretary of Defense for policy,

and Deputy Defense Secretary Paul D. Wolfowitz, the two strongest promoters inside the administration of preemptively invading Iraq. He also was part of the unit that funneled intelligence chum up the food chain and into Bush's now-discredited speeches claiming Saddam Hussein's regime posed an imminent danger.

These are the folks who bought the disinformation pumped out by Iraqi exile Ahmad Chalabi, whom they promoted as the George Washington of the new Iraq state. Now the neocons distance themselves from Chalabi, who has been accused of spying for Iran and harangues radical Iraqi Shiite crowds with anti-American rhetoric. That can't be good for Israel, which is threatened by Iran's nuclear program.

The neocons are unstable ideologues, more in love with their own radical dream of breaking the world to remake it in their image than they are with protecting Israel or the U.S. Such unbounded arrogance, embraced by Bush, has greatly amplified the voices of those persistent anti-Semitic conspiracy theorists in the Muslim world and beyond who are now seizing upon the latest Israeli spy rumors.

"It revives the old charge that Israel is not an ally but a treacherous country," Nathan Guttman wrote Monday in the Israeli newspaper Haaretz.

That charge is false. What is true is that not every Bush administration hawk who claims to support Israel is actually a reliable friend.