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Ex-CIA Aide Confirms Israeli Uranium Story

The CIA concluded some years ago that Israel has developed nuclear weapons aided in part by uranium diverted in the mid-1960s from a plant in Pennsylvania, according to a former deputy director of the agency.

In an interview earlier this week on ABC television, Carl Duckett, deputy director of the CIA for science and technology from 1967 to 1976, stated there had been a "clear consensus" within the agency that the "most likely case" was that the Israelis had fabricated nuclear weapons with 200 pounds of enriched uranium diverted from a nuclear processing plant in Apollo, Pa.

"I believe that all of my senior analysts who worked on the problem agreed with me fully," Duckett said in a documentary concerning the spread of nuclear weapons in the Middle East.

While there have been numerous reports asserting that Israel has developed nuclear weapons and that its nuclear program benefited from the puzzling diversion of uranium, this was the first time that a former agency official with direct knowledge of the indictment has publicly made such an assertion.

Duckett said in an interview that he did not clear the statement with the CIA, but added that "everything I said on television has been revealed by other sources, including the agency, apparently by accident."

Duckett, who is a consultant on intelligence affairs to ABC and says he has a similar contract with the Senate Intelligence Committee, remarked that he saw no conflict in such arrangements or in being interviewed on subjects relating to his previous employment.

"Though I had not discussed this on the record before, I wasn't giving away any trade secrets," Duckett said.

A CIA spokesman declined to comment on Duckett's interview. He noted, however, "We pay attention to what is being said in the media, and would pursue protection of sources and methods as required."

Controversy over Israel's nuclear capabilities and the disappearance of some 200 pounds of high enriched uranium from a Pennsylvania company called the Nuclear Materials and Equipment Corp. have been the subject of numerous newspaper articles since the mysterious diversion was first reported more than 10 years ago. The mystery surrounding NUMEC and allegations that the Atomic Energy Commission and the FBI tried to cover up the incident have generated at least 10 separate investigations by such groups as the CIA, FBI, General Accounting Office, and four congressional committees.

In 1978, a top-secret CIA document concluding that Israel had produced nuclear weapons as early as 1974 was inadvertently released by the agency in response to a Freedom of Information Act request. A CIA spokesman called the document's release a "mistake," and declined further comment.

Later that year, a statement by Duckett, who asserted that President Johnson had instructed the agency not to tell anyone else that Israel had nuclear bombs, was also accidentally made public by the Nuclear Regulatory Commission.

Duckett has previously refused to comment on the matter.

The Israeli government has repeatedly stated - and did so yesterday - that Israel "will not be the first country to introduce nuclear weapons to the Middle East," according to Aviezer Pazner, spokesman for the Israeli Embassy. Pazner also denied again that Israel played a role in the disappearance of the Pennsylvania uranium.

NEWS & OPINION

How Israel

got the

nuclear bomb

By Howard Kohn and Barbara Newman

IN 1965, DURING A ROUTINE INVENTORY, U.S. government inspectors discovered that a substantial amount of enriched uranium...enough for several atomic bombs...was missing from a Pennsylvania nuclear plant. Three years later on a road in France, an armed gang overpowered the driver of a truck and drove away with a cargo of uranium. Another nuclear shipment was hijacked in England a short time later.

The three nations investigated these seemingly unrelated incidents and found that they were part of a carefully plotted stratagem. But for the next decade the findings were suppressed. The U.S. investigation was classified top secret and President Lyndon Johnson allegedly ordered the files locked away.

According to two confidential U.S. government sources, the victimized governments were afraid of serious political fallout, both for themselves and for the Israeli government. All three operations were the work of Israeli

intelligence agents, the sources told ROLLING STONE and the same agents subsequently carried out two more uranium hijackings with the unlikely cooperation of the French and West German governments.

The stolen material was used to give Israel a last resort military alternative in the Mideast. By the CIA estimate, Israeli scientists have fashioned as many as fifteen powerful nuclear bombs. Although Israel has not openly tested the bombs and has kept its nuclear program shrouded in mystery, it is widely regarded in the international intelligence community as the world's seventh nuclear power, joining the U.S., the Soviet Union, England, France, China and India among the atomic elite.

Both of ROLLING STONE's major sources are experts in Mideast affairs; one is a highly valued Pentagon consultant, the other a former National Security Agency official. Their information was corroborated, in part, by former top CIA official, a former White House aide

Israeli commandos have been raiding western nuclear powers who knew it, but kept it secret.

other government officials.

The sources say that Israel's intelligence service, Mossad, set up a special commando unit in 1967 or 1968 to raid the Western nuclear powers. Mossad apparently anticipated that these countries would not retaliate or reveal the hijackings. The commandos twice made daring forays across international borders in early 1968 to seize shipments of enriched (bomb-grade) uranium.

In France, according to the sources, the Israeli hijackers attacked a twenty-five-ton truck that was ferrying a load of government uranium. They fired tear-gas cannisters into the truck's cab to disable the driver, then escaped with the truck and smuggled the radioactive booty 2000 miles to clandestine military bases in the Negev desert.

The Mossad squad repeated the scenario in England with the same success, the sources say, but that operation ended in disappointment. When Israeli scientists in the Negev examined the English shipment they found low-grade uranium "yellowcake" that had been incorrectly labeled enriched uranium.

Israeli scientists, however, were already close to completing a uranium-enrichment facility where a sophisticated process is used to refine uranium "yellowcake" into bomb-grade material. Some time later in 1968, according to the sources, the Israelis traded that expertise and \$3.7 million in cash to West Germany, which had access to uranium but lacked advanced nuclear technology. In exchange, the German government covertly agreed to supply 200 tons of low-grade uranium.

To disguise the transaction the Israelis again employed their nuclear commandos. By prior arrangement, the commandos pirated the 200-ton shipment from the freighter *Scheersberg A* in November 1968 as it idled on the calm seas of the Mediterranean. (Former Senate investigator Paul Levant first revealed the disappearance of the shipment in spring 1977.)

In early 1969, the sources say, Israel arrived at a similar pact with the French government, bartering money and scientific secrets for more uranium. Like the Germans, the French (who apparently counted this deal as compensation for the earlier Israeli theft) wanted their connivance kept secret. So a second fake hijacking was arranged.

The Israelis resorted to these tactics, according to the sources, only after they were forced to terminate a less adventurous

operation in 1965, but until the plant ownership changed in 1967 the Israelis managed to siphon an estimated 200 to 400 pounds of enriched uranium from the plant during a ten-year period. (Approximately twenty-two pounds of enriched uranium are needed to make the smallest functional bomb.)

The Pennsylvania plant was owned by the Nuclear Materials and Equipment Corporation (NUMEC), whose president was Zalman Shapiro, a noted chemist and former government research engineer. For years Shapiro maintained a close relationship with Israel; he took part in several business deals there and, through NUMEC, worked as a sales agent for the Israeli Ministry of Defense. Shapiro also formed a NUMEC subsidiary as a half-partner in an insect-control venture.

In 1976 he became the target of an FBI espionage investigation, but the Justice Department elected not to prosecute him. Shapiro has refused to comment on his role in the case and it is still a matter of dispute.

Other crucial questions about the NUMEC-Israeli arrangement are similarly unresolved. The House Interior Committee, a House Commerce subcommittee and a Senate Government Operations subcommittee are currently trying to figure out how the material could have been diverted from the plant without attracting the notice of the Atomic Energy Commission (AEC), the federal agency then responsible for policing the nuclear industry. One theory, contained in a CIA memo which government investigators recently obtained, is that NUMEC had a double-accounting system that camouflaged large discrepancies in its uranium inventory.

Almost from the time NUMEC received a license to handle nuclear material in December 1957, however, AEC inspectors had suspicions about the Pennsylvania plant. According to records declassified in August 1977, an AEC official sent a letter to Shapiro in October 1960 because he was "disturbed by the [fact] you did not have adequate control over the nuclear material." In summer 1962 an AEC inspection found NUMEC's

But NUMEC subsequently upgraded its accounting system, at least to the satisfaction of the AEC inspectors, and by 1963 the federal agency was complimenting the company for its improvements. Then, in fall 1964, an AEC inspection team came across a large amount of material unaccounted for (MUF) in the NUMEC inventory and decided to take a second look. In spring 1965, during a slack production period, the AEC rechecked the inventory and again found it drastically short. The total MUF was 194 pounds, larger by far than any previous known discrepancy at other U.S. nuclear facilities.

The AEC immediately began to question Shapiro. His explanation was that the missing material had been accidentally buried in waste pits at his plant. But for months he dodged AEC requests that the waste be exhumed and measured. Finally, in an unusual showdown, five AEC officials confronted Shapiro on September 24th, 1965, and demanded he dig up the burial pits.

Shapiro grudgingly acceded, but the pits yielded only sixteen pounds. Soon afterward, the AEC undertook another examination of the NUMEC inventory and learned that, as of October 31st, 1965, there were an astounding 382 pounds unaccounted for. James Lovett, the AEC investigator in charge of the inquiry, also had discovered that scores of key NUMEC documents had been destroyed in a 1964 fire, leaving a gaping hole in the company's records that Shapiro had kept hidden from the AEC. According to a government investigator, Lovett was in the process of writing his report on NUMEC, a critique that one colleague later described as "blistering," when he suddenly resigned in late 1965, lured away by a job offer from Shapiro.

Other top AEC officials, however, remained alarmed about the situation. One AEC security officer wrote in a memo: "NUMEC has been less than candid in their dealings with us.... If it were in my province to do so, I would stop all further deliveries of enriched uranium to NUMEC." This concern was passed along to the Joint Committee on Atomic Energy, the congressional committee that then oversaw the nuclear industry.

had been stolen. At this point, however, the government's posture toward the case abruptly switched.

On February 24th, only nine days later, the Justice Department cut short the embryonic investigation with a curt letter that said no thievery was involved. Government investigators who are now retracing the history of the case believe the precipitous Justice Department decision was the start of an official cover-up conducted under instructions from President Johnson.

The investigators first heard about Johnson's involvement when they were briefed about the case in summer 1977 by Carl Duckett, the CIA's former deputy director for science and technology. Duckett told them the CIA had launched its own investigation of NUMEC in the mid-Sixties while reviewing the nuclear capabilities of several countries in advance of nuclear proliferation talks between the U.S. and the Soviet Union. As part of its probe, the CIA trailed Shapiro on his visits to Israel and became convinced NUMEC was abetting an Israeli smuggling ring.

According to Duckett's version, which was confirmed by another former high-ranking CIA official, the CIA then took this information to Johnson at the White House. Richard Helms, CIA director at the time, had an audience with Johnson and reported that the president wanted the matter hushed up. Johnson ordered Helms to let Israel keep the contraband and to drop its investigation, according to the CIA account, and not to inform any other federal agencies.

(Though most of the investigators seem to accept this rendering of the Helms-Johnson meeting, some suspect that the CIA deliberately invited a White House cover-up to conceal the Agency's earlier complicity in supplying nuclear aid to Israel. According to former *New York Times* reporter Tad Szulc, an expert on CIA affairs, the Agency might have had such a motive; he says the CIA was instrumental in helping Israel get a share of U.S. nuclear material and technology in the Fifties.)

In any event, all official inquiries in the NUMEC case quickly dried up after Johnson's directive to Helms. There was some temporary dissension within the AEC — one official argued in an April 1966 report that NUMEC's MUF raised extraordinary questions about the plant's security,

the Joint Committee on August 4th, 1966: "I think that there has not been any material diverted from peaceful to military uses."

The Joint Committee also was inclined to abandon the case. But its two staff investigators pushed for an independent investigation by the Government Accounting Office (GAO) on the grounds that later publicity might backfire on the Joint Committee if it seemed negligent in its duty. The GAO consequently entered the case in September 1966 and reported that NUMEC's record-keeping was so shoddy it could not determine what had happened to the missing uranium, though it concluded the huge MUF was not the result of "known loss mechanisms."

By early 1967 the AEC had reinventoried the plant and found an additional 190 pounds unaccounted for — or 572 pounds in all. According to the *ROLLING STONE* sources, Israel continued to receive NUMEC uranium during the 1965-66 period despite increased U.S. scrutiny. The total amount smuggled from Pennsylvania to the Negev desert apparently was at least 200 pounds and may have been considerably larger. The AEC's final judgment was that 366 of the 572 pounds had been lost through normal plant operations, a dubious assessment that was forthrightly challenged by George Murphy, a Joint Committee investigator.

Murphy ridiculed the AEC's conclusion that 127 pounds of liquid uranium had run off into the nearby Kiski River as a possibility that could be entertained only if the plant had "run seven days a week, 24 hours a day since before the Revolutionary War."

But Murphy's skepticism and the GAO's report were submerged in a final wave of events that appeared to settle the case in April 1967. After paying the AEC \$1.1 million in penalties for the missing uranium, Zalman Shapiro sold the plant to Atlantic Richfield Company and moved on to a position with Westinghouse.

Apparently there was no more official action in the case until investigators for the House Commerce Committee discovered the Pennsylvania MUF while researching the general problem of nuclear security in 1976. As a result, the CIA's Duckett was called in to brief GAO and congressional investigators and the Nuclear Regulatory Commission (NRC), which replaced the AEC in 1975 as the federal nuclear watchdog. Duckett told them, as

the Cabinet in the Ford administration, who relayed the information to the president. According to Connor, Ford ordered an immediate FBI investigation. Sources close to the investigation say the FBI reached the same conclusion as the CIA about the NUMEC-Israeli connection, but that Edward Levi, then the attorney general, personally decided not to seek indictments in the case because he felt the evidence was not admissible in court. (This account was verified by Robert Barrett, Ford's current executive assistant.)

The same information was handed over to the Carter White House in early 1977 and, according to a former top CIA official, it has now become a point of contention in the ongoing debate over whether to indict Helms in the unrelated CIA-Chile perjury case. Helms has indicated he might feel compelled to divulge certain government secrets if he is indicted, and Carter administration officials allegedly are worried

that the NUMEC case and Johnson's cover-up may be among them.

Despite the official secrecy that still surrounds the case, however, the three congressional panels and the GAO recently opened new investigations of NUMEC. So far their task has been encumbered by the disarray in NUMEC's records — twenty-six of the company's thirty-two foreign contracts are incomplete, inaccurate or missing — and by lack of access to the complete government file on NUMEC. Part of the file still carries the government's highest security classification, according to the investigators, and both the CIA and FBI have refused to give full disclosure.

The widening gaps in nuclear safety

IN 1976, AT THE REQUEST of a House subcommittee, the Nuclear Regulatory Commission (NRC) began an examination of security at all commercially run nuclear plants in the country. In August 1977 the results of that survey were finally revealed: a staggering 8000 pounds of uranium and plutonium could not be accounted for.

The missing 572 pounds at the former NUMEC plant in Pennsylvania (see above story) ranked as the largest loss. But several other plants were unable to explain significant discrepancies in their inventories.

Although the NRC claimed it found no evidence that nuclear material had been stolen from these plants, a few cases may require more investigation. The NRC admits that sixteen pounds of plutonium (the amount used in the World War II bomb exploded on Nagasaki) are missing from a Kerr-McGee plant near Oklahoma City, for instance, but an ex-plant official says as much as sixty pounds may be lost. Jim Smith, a former department head at the plant, told ROLLING STONE he doesn't know what happened to the plutonium but he says that a company official once asked a fellow department head to help steal

uranium from another Kerr-McGee plant.

According to an organized crime source, the NRC did investigate an allegation in 1975 that plutonium had been smuggled out of the Oklahoma City facility. The NRC allegedly recruited a Cleveland investigator to find out if a Cleveland Mafia family, now relocated on the West Coast, had tried to sell Kerr-McGee plutonium to Israel. The investigator spent several weeks on the case but apparently did not turn up any corroborating evidence. A congressional investigator, however, later found that one of Kerr-McGee's plant guards was a convicted bank robber hired under the alias Leonardo Crusher; he had worked there a year until a credit check and a second bank robbery unmasked him.

Such security lapses are not unique in the industry. The Nuclear Fuel Services plant at Erwin, Tennessee, which lost 262 pounds of uranium between 1968 and 1976 (the third largest single amount known), was fined \$53,000 in April 1977 for thirty-six separate violations of the NRC security code, according to confidential documents ROLLING STONE has obtained.

Eight other nuclear plants have also been fined for similar violations in recent months, according to the documents, despite NRC assurances that such problems have generally been corrected. Three plants were found with holes in their fences; another had ground-level doors unlocked and the burglar alarms turned off. Two had allowed unauthorized visitors to penetrate high-security areas.

Between January 1975 and September 1976, according to a General Accounting Office study, there were sixty-two incidents at nuclear plants that involved bomb threats, extortion attempts and security breaches. These incidents, the NRC concedes, will probably only increase in the future. As they do, the NRC may resort more and more to police-state measures. A secret report commissioned by the NRC in 1975 raises the likelihood of a special nuclear police force empowered to conduct domestic surveillance without a court order, to detain nuclear critics and dissident scientists without filing formal charges and, under certain circumstances, to torture suspected nuclear terrorists.

Even with such tactics, however, some NRC inspectors do not believe the government can ensure fail-safe security at nuclear plants. "In the end," one admits lamely, "we have to trust the individual companies and hope for the best."

—HOWARD KOHN