

# Natural Resources Defense Council, Inc.

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February 15, 1979

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J.M. Felton, Director  
Division of Rules & Records  
Office of Administration  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

FREEDOM OF INFORMATION  
ACT REQUEST

FOIA-79-48  
mc'd 2-22-79

IN RESPONSE REFER  
TO NRDC/TBC/79-4

Dear Mr. Felton,

Pursuant to the Freedom of Information Act, please send me any information, materials, etc., related to a) whether or not a foreign agent, a "mole" operated within the Atomic Energy Commission during the 1960's; and b) whether or not  
\* was suspected of operating as a foreign agent while at the Atomic Energy Commission, or while serving as a member of the Congress.

With respect to any classified document, or any document referred to other agencies that are not made available to me within 10 days, e.g. due to a need for classification review, I request a record identifying the title, author, date and classification of these documents.

Thank you.

Sincerely,



Thomas B. Cochran

Enclosure

\*NRC Note: The name of a specified individual has been deleted to protect his privacy.

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## President Jimmy Carter His anti-inflation policies hit by women and blacks

ward Kennedy, who has said time and again that he will not run in 1980.

Jordan used the Urban League's

annual report on various facets of black life in America as the basis

(Turn to Page 2-B)

of money go from campaign contributors, through campaign committees, and into the senators' pockets as repayment of money they lent to their own campaigns.

The Federal Election Campaign Act provides elaborate mechanisms to ensure that voters can know the identity of major contributors before voting. Ten days before an election, campaigns must file reports updating their financial records.

If large contributions are received after the 10-day pre-election report, campaigns must report them within 48 hours by hand-delivered letters or telegrams.

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# Story of Missing Uranium Still Cloudy

By BARBARA NEWMAN  
Written for The Tennessean

THE General Accounting Office, the investigative arm of Congress, has published its report of what happened to the missing uranium from a Pennsylvania nuclear fuel plant.

But that report has been classified "secret" upon fiat by the FBI and CIA.

Also, both agencies refused to share any information on their own investigations of what happened at NUMEC, a nuclear fuel plant in Apollo, Pa. In 1965 NUMEC was unable to account for nearly 400 pounds of bomb-grade uranium.

Since that time press reports have speculated that the nuclear material was diverted to Israel by its crack intelligence unit, the Mossad.

Sources have said that the GAO report had to straddle the fence because of the lack of access to FBI and CIA investigations. They also say that the GAO concluded that if a significant amount of bomb-grade material were diverted from a U.S. facility, it would be as difficult to ascertain its

whereabouts as it was in the 1960s.

However, other sources on Capitol Hill and within federal investigative agencies say there are definitive explanations about the NUMEC case. What they have to say involves not so much the alleged diversion of the nuclear materials, but what they regard as a subsequent cover-up.

As to where the uranium is, suffice it to say that in the late 1960s the CIA found evidence that Israel had obtained sizable quantities of highly enriched uranium.

A high-level source within the Israeli government informed the CIA that the uranium was from the U.S., and specifically mentioned the NUMEC plant.

In 1968, then-CIA Director Richard Helms told President Lyndon

Johnson of the CIA suspicions. Johnson told Helms not to tell anyone, including Secretary of State Dean Rusk or Secretary of Defense Robert McNamara.

A key participant in the government's handling of the NUMEC case, who is knowledgeable about the top secret details, said that Johnson's action indicates "it is government policy at the highest levels" not to offer any explanation for the diversion.

"You know," the source said, "there are occasions when a murderer should go free." This means, he said, that disclosure (that Israel has bomb-grade uranium) might encourage the Arabs to acquire unconventional weapons.

The source's reasoning is apparently that although the Arabs have heard the rumors about Israel having the uranium, they remain rumors. Definite proof would force the Arabs to respond in kind — from national pride as much as security considerations — according to the source.

But there is another explanation for the cover-up that is offered by some close to the NUMEC case.

They say that the basis for the CIA's interest was the fear that a high-level U.S. official with access to top secret scientific and weapons technology operated as a Soviet "mole" in the 1960s.

The CIA shared this suspicion with the FBI which had independently developed a file on the individual.

The CIA speculated that this individual, who was in a position to shut off any investigation of the NUMEC diversion, participated in a cover-up in order to ingratiate himself with Mossad, the Israeli intelligence unit.

In other words, a top U.S. government official stopped the federal investigations at the direction of Soviet intelligence to penetrate Israeli intelligence.

Knowledgeable sources indicate this theory was held by some of the top CIA officials, including John Hadden, an operative who was once the agency's station chief in Israel, James Angleton, former CIA counterintelligence chief.

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# Cloud Still Hovers Over 'Lost' Uranium

(Continued from 1-B)

Carl Duckett, the agency's former deputy director for science and technology, and Helms, the CIA director from 1966 to 1973.

Sources say the CIA theory was never investigated by other agencies, but that the CIA was very confident of it.

It is the alleged failure to act on a theory with such grave security implications that is the final turn of the screw and would explain why there has been no cogent and public explanation of the NUMEC case, according to the sources.

Congressional investigators who have seen documents from the CIA and other investigators think the cover-up is an attempt by top officials to protect themselves from charges of malfeasance and incompetence. Reputations and careers would be in shambles, they say.

What is known is that there has

been no convincing public explanation.

The GAO's report was to deal with all the theories and come out with a definitive explanation of what happened at NUMEC, as well as an analysis of subsequent government investigations.

But most of the relevant information was denied GAO, and sources in that agency say they vigorously fought for access to the information but were blocked by Elmer Staats, the comptroller general.

They say Staats is trying to avoid controversy during the last few years of his tenure.

The Department of Energy is also engaged in an investigation of the facts relating to NUMEC. Its investigation is almost over — and Charles Reichardt, the security chief for the Atomic Energy Commission during the time when NUMEC was first probed, has never been interviewed by DOE.

its regulations are stifling individuals and the economy.

"The message voters gave was: 'Get the government off of back and out of my pocket,'" said Rep. George M. O'Brien, a four-term Republican from Illinois.

"That means trying to bring federal budget under control," added. "It also means loosening a lot on the government strait over the economy, particularly basic industries such as railroads and transportation."

"The overpowering presence government is the primary concern of my state," said Rep. J. Lloyd, D-Calif. "The people want more responsive, more efficient government that is more responsible for its cost ... that is responsive to questions of taxes, inflation and control of the bureaucracy."

"People do want spending cut," said Rep. Morris Udall, D-Ar. "But they appear to be defensive about what affects them. They appear to want to have it both ways."

"I guess it's like every other state," said Rep. Ken Holla, D-S.C. "Number one is inflation, the price of gasoline, the price of utilities, the price of food at supermarket."