

CIA THINKS ISRAEL GOT URANIUM DIVERTED

By John J. Fialka

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A CIA spokesman has told congressional investigators that a probe by the agency led investigators to believe that bomb-grade nuclear materials were diverted from a U.S. facility and sent to Israel.

According to three government sources familiar with the CIA investigation, it started in Europe in the mid-1960s when CIA operatives received information that Israel had obtained a sizable quantity of highly enriched uranium, the same material

used in the bomb dropped on Hiroshima in 1945.

The CIA investigation eventually came to focus on a company at Apollo, Pa., 30 miles northeast of Pittsburgh, which produced highly enriched uranium submarine fuel for the U.S. Navy and also had ties with a number of foreign governments, including a subsidiary owned in partnership with the Israeli government.

The CIA investigation's conclusion appears to conflict with repeated statements by high officials of the Energy Research and Development

Administration and the Nuclear Regulatory Commission that they have seen no evidence which would indicate that significant quantities of bomb-grade nuclear materials were ever stolen from a U.S. facility.

THE SPECIFICS of the CIA probe were first divulged to top NRC officials in a secret conference held in early 1976. One of the participants at that conference was Kenneth R. Chapman, then the head of NRC's safeguards section. Chapman said last week the man who gave the

briefing was Carl Duckett, then the CIA's third-ranking official. Duckett, who has since retired, could not be reached for comment.

Chapman said Duckett described the probe as concentrating on the operations of Zalman M. Shapiro, founder and president of the Apollo company, called Nuclear Materials and Equipment Corp.

Chapman, in a taped interview, told Barbara Newman of National Public Radio, "It was my understanding that they followed Mr.

Shapiro"

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and Space Administration. He could not be reached for further comment on the subject. A secretary in his office said he was on vacation.

THE EXISTENCE of the CIA probe has been a closely held secret and the evidence that would support its conclusions still resides under layers of security classifications.

Asked for a comment, Gen. Edward B. Giller, deputy assistant administrator for national security at ERDA and the agency's top intelligence specialist, said:

"What I have said is that there is no conclusive evidence that any materials have been diverted from U.S. facilities, and I don't think there is anyone in the intelligence community that is prepared to challenge that."

Giller said he was aware that "some individuals" at the CIA may have reached a different conclusion. "They have only looked at one piece of the puzzle," he said.

ERDA officials, on the other hand, have looked at the results of both the foreign and domestic probes of Apollo and made their judgments from them, he said. "I have reason to believe I know everything," said Giller.

Giller acknowledged that because some parts of the case are still regarded as top secret he may have had to "dance a bit" in his explanations. "One has to be very careful in the use of the English language because it has multiple meanings of which we're all aware," he said.

There are two House committees investigating the incident at Apollo, which began in 1965 when ERDA's predecessor, the Atomic Energy Commission, discovered that 382 pounds of highly enriched uranium could not be accounted for at the plant.

After allowing that part of the material may have been wasted in various complex chemical processes at the plant, the AEC investigators concluded that they had no explanation for the whereabouts of 206 pounds.

That conclusion triggered investigations by the FBI, the General Accounting Office, the AEC and Congress's Joint Committee on Atomic Energy. According to sources within the FBI, the investigation focused on whether Shapiro, a former AEC chemist, was an agent for a foreign government. The investigators reportedly concluded he wasn't.

ACCORDING TO SOME sources a second FBI probe focused on some of Shapiro's subordinates, several of whom were experts on the chemistry, physics and metallurgy of bomb-grade materials. Just how far the FBI probe went, however, is ques-

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