

AIPAC Raid Spotlights Escalating Spy Wars

by Jeffrey Steinberg

On Dec. 1, FBI agents raided the Washington office of AIPAC (American Israel Public Affairs Committee). It was the second time in six months that the Bureau obtained and executed search warrants on the powerful Israel lobby; but, intelligence community sources report, unlike the polite and low-key raid of Aug. 27, 2004, the December action had FBI agents invading the AIPAC headquarters with guns drawn, carting off computers, and serving grand jury subpoenas to four top officials.

There is far more than meets the eye to the ongoing FBI probe of AIPAC. While most news accounts link the raids to a narrow probe into whether the Israeli lobby group funneled classified Pentagon documents to an Israeli Embassy official, the real story is that the foreign counterintelligence probe into AIPAC dates back to the early months of the Bush Administration in 2001, and involves a much larger cast of characters, and range of suspected illegal activities.

The AIPAC probe intersects an ongoing “spy war” inside the U.S. law enforcement and intelligence communities, pitting professional spies, diplomats, and military commanders against what one source called the “Israel First” wing of the larger neo-conservative apparatus that dominates the civilian Pentagon bureaucracy, and the “shadow NSC” housed in the office of Vice President Dick Cheney, in addition to having pockets of influence at the official National Security Council (NSC) and State Department.

After the Tenet Resignation

In late Summer 2004, following the resignation of CIA director George Tenet, Vice President Cheney rammed through the appointment and confirmation of Porter Goss as his replacement. Since his arrival at Langley, Goss has ruthlessly pursued his mandate from Cheney: Purge those “disloyal” CIA officers who had opposed the Iraq War, and plug up the leaks that Cheney feared could contribute to a Nov. 2 Bush-Cheney electoral defeat.

Indicative of the intensity of the intelligence wars was the Summer 2004 publication of the book *Imperial Hubris*, by an anonymous active-duty CIA officer, who had headed the Agency’s “Bin Laden Taskforce” for several years. CIA attorneys had vetted the book with remarkable speed, allowing its pre-election publication, and even giving “Anonymous” the opportunity to appear on national television—with a masked

voice behind a silhouette screen. Soon after Goss's arrival at CIA headquarters, "Anonymous"—now known to the world as Michael Scheuer—was out of a job. Scheuer's departure was part of a much larger exodus of senior CIA analysts and operators.

Call it a purge or a mass protest walk-out, the consequences are predictable: an escalation of warfare, generally pitting the professionals against the neo-con fanatics. And lost in the shuffle: any serious policy debate about genuine intelligence upgrading.

Even the now complete Congressional passage of the intelligence reform bill, based on the recommendation of the 9/11 Commission, tip-toed around one of the most dangerous issues of reorganization being peddled by Defense Secretary Donald Rumsfeld and his civilian chickenhawk bureaucracy: the transfer of covert paramilitary ops from the CIA to the Defense Department's Office of Intelligence, currently headed by Stephen Cambone and Gen. Jerry Boykin.

Because most of the assets used by the CIA were "on loan" from various Pentagon special operations units, they were not under military control, which meant that their actions did not constitute acts of war. If that level of protection is removed, the Bush-Cheney "War on Terror" takes on the character of acts of war against the nation on whose territory they operate.

In a *New Yorker* magazine article early this year, Seymour Hersh wrote about Pentagon "special access programs"—highly secret paramilitary units—run out of the Pentagon, that were part of the Abu Ghraib torture interrogations, and worse.

Sources have told this news service that these "special-access" units—hunter-killer teams—are both modeled on Israeli assassination squads, and interface with those units. They point out that after 9/11, Undersecretary of Defense for Policy Doug Feith—a key player in the FBI's AIPAC probe—pushed for the creation of a U.S.-Israeli joint counter-terror intelligence operation. The Feith scheme got brief news coverage in June 2002, and meetings between Feith and top Israeli military and Interior Ministry officials continued throughout 2002, but nothing further has been publicly reported—except for reports by Hersh and others, of a large number of Israeli covert operatives deploying into the Kurdish region of Iraq.

The Franklin Case—And Beyond

Ostensibly the trigger for the August and September 2004 FBI raids on the AIPAC headquarters was the passing of a classified draft Bush Administration Iran policy memo to two AIPAC officials (Steve Rosen and Keith Weissman) to a political counsellor at the Israeli Embassy (Naor Gilon). The memo was provided to the two AIPAC officials by Larry Franklin, the Iran desk officer at the Near East South Asia Center for Strategic Studies (NESA) office of Undersecretary of Defense Feith. NESA is headed by William Luti, a former military aide to Vice President Cheney. The Feith-Luti unit, which included the Office of Special Plans (OSP), the pre-Iraq

War planning unit, is under Senate Intelligence Committee scrutiny for funneling false intelligence to White House policymakers to justify the war. While neo-con defenders claim that Franklin was "six levels below Feith," Pentagon sources have told this news service that Franklin was part of an informal neo-con cabal which frequently met behind closed doors in Feith's office to coordinate their agenda. According to the sources, several other participants in these "brown-bag lunches," including Harold Rhode, William Bruner, and Abe Shulsky, are also being probed for passing classified material to Israel. A separate national security probe into who leaked vital signal national intelligence via Ahmed Chalabi's Iraq National Congress (INC), to Iran intelligence, also centers on the Feith gang.

When news of the Franklin probe broke on CBS-TV in late August, it was reported that Franklin was cooperating with Federal investigators and the grand jury. Subsequently, AIPAC launched an aggressive damage control effort, hiring Washington, D.C. power lawyer Nathan Lewin. In October, Franklin stopped cooperating with the probers, fired his court-appointed lawyer, and hired Plato Cacheris, a high-priced attorney with a track record of defending spies like Aldrich Ames and Robert Hanssen. The turning of Franklin reportedly infuriated top FBI people.

The Franklin flap may have been the straw that broke the camel's back. For years, senior counterintelligence people at the FBI, and at other U.S. law enforcement and intelligence agencies, have been frustrated by continuous obstruction of probes into suspected Israeli "friendly espionage." In 2000-01, the U.S. government deported over 120 Israeli "art students" who were caught spying on U.S. government facilities, including military bases.

In a bizarre twist on the case, Israeli officials charged that if the "art students" had not been expelled, the 9/11 attacks might have been prevented—a de facto admission that the Israelis were in the United States to track suspected cells of "Islamic extremists" behind the backs of U.S. officials.

One senior U.S. intelligence official told this news service that, ever since the 1985 arrest of Israeli spy Jonathan Pollard, Israel has been careful to avoid such blatant espionage techniques. Now, an extensive "informal espionage" operation has been created—using groups like AIPAC with strong ties to the Pentagon and other national security hubs—to obtain and pass on verbal reports with key intelligence and secret policy information.

But, the source added, occasionally, the Sharon government insists on access to hard copy data—like the Iran policy memo to the White House, reportedly drafted by Feith deputy Michael Rubin.

It is this larger arrangement, the source emphasized, that is the subject of FBI and other U.S. national security concerns. In that context, the Franklin case is symptomatic of something much bigger. And that is why this appears to be one scandal too big to bury.