

U.S. probes Lansky mob, hunts 'new Pollards'

by Paul Goldstein

A new twist in the unfolding Jonathan Jay Pollard spy affair developed during mid-March, centering around revelations by former Senate Intelligence Committee Chairman David Durenberger (R-Minn.). According to the *Jerusalem Post*, Durenberger told a group of 150 members and fundraisers of the American-Israel Political Affairs Committee (AIPAC) that the CIA spied on Israel during and after the Israeli invasion of Lebanon. The alleged spy, an Israeli colonel who opposed the invasion, "walked-in" to the CIA one day offering his services.

Durenberger's briefing to these Jewish-American backers of his re-election campaign occurred the weekend of March 13 in Palm Springs, Florida. It was leaked to the *Jerusalem Post* by members of AIPAC, certainly with Israeli backing, in retaliation for the hard-line posture Department of Justice and other Reagan administration officials have taken on the Pollard affair.

It is very likely to backfire, only causing a further intensification of U.S. efforts to force the Israelis to "come clean" on the operation. According to well-placed U.S. intelligence sources, no matter which way the Israelis attempt to cover-up or "damage control" the Pollard affair, relations between Israel and the United States will never be the same.

The targets

The Pollard affair has opened the eyes of many government officials to the extensive espionage activity of the Israelis inside the United States and how the Israel-lobby organizations have functioned to protect and promote these operations. Fearing their own vulnerability in the Pollard affair, 65 Jewish-American leaders went to Israel in mid-March to pressure the Israeli government into making concessions to the United States in four areas: 1) the Pollard case, 2) Prime

Minister Shamir's remarks on Soviet Jewish emigration, 3) Israeli weapon sales to South Africa, 4) Irangate.

As of this writing, the only, even cosmetic change made in any of these four areas has come in the matter of Israeli arms sales to South Africa. Pushing hard for this policy change was Foreign Minister Shimon Peres, who is deeply implicated in not only the Pollard affair, but the arms-to-Iran scandal as well. From reports in Israel, the sale of weapons to South Africa will be cut off, but only after the current contracted ones are completed. Even this change can be easily bypassed through covert arrangements through Swiss and African connections. Minister without Portfolio Moshe Arens is key in making these kinds of covert arrangements.

However, on the Pollard affair itself, the Israeli government has so far refused to do anything substantive. According to high-level Israeli sources, the government is attempting to buy time by appointing a two-man investigative committee whose findings will have no binding power. The committee is empowered to investigate the espionage ring run under the cover of the Israeli scientific liaison unit, LEKEM. The LEKEM is ostensibly under the control of the Israeli defense ministry—supposedly not the Mossad. The government's gameplan is to hand over to the U.S. Department of Justice Israel's leading spymaster, Rafael Eytan, and Colonel Aviem Sella in exchange for not pursuing the higher-ups who ordered the operation. Moreover, by blaming a section of Israeli intelligence, the National Unity government is hoping to avert the targeting of the Mossad itself. But it was Mossad that controlled the Pollard operation.

This prospective move by the Israeli authorities does not sit too well with former Mossad founder and leader Isser Harel. He surfaced for the first time in many years to attack the government for running the kind of operations that the

Pollard affair represents. Harel, according to U.S. counter-espionage experts, was always opposed to hostile penetration operations against friendly governments. His opposition was based upon his outlook that agents-of-influence, not spies, inside friendly governments were the best means of securing policy support.

Harel's action is unprecedented for the former Mossad chief, and it is believed by certain U.S. intelligence circles that this signals a willingness on the part of top-level intelligence circles in Israel to shift the government's policy. His concerns go far beyond the day-to-day questions of espionage and U.S.-Israeli relations, to the survival of Israel itself.

According to Israeli sources, one of the biggest problems in getting to the bottom of the entirety of the Pollard affair and Iran-Contra scandal is the fact that Foreign Minister Shimon Peres is not only implicated in it through his active support of the relevant policies, but is being blackmailed by the Shamir and Sharon circles because of it. "Shimon is a schlimeil. He doesn't have the guts to break with this crazy policy," according to this Israeli source. This source further stated that he's worried that the U.S. government and even hard-liners like Defense Secretary Weinberger would accept the compromise whereby Israel turns over Eytan and Sella. Some Israelis interpreted Secretary of the Army John Marsh's trip to Israel as a signal that the United States was looking for such a compromise.

The Reagan administration, through the Department of Justice and certain FBI circles, are going to continue the investigation into the leads provided by Pollard's debriefings. U.S. Attorney in Washington, D.C., Joseph DiGenova, believes there are more than one Pollard operating within the U.S. government. The March 15 *Washington Post* op-ed by Lally Weymouth, "Are There More Pollards," not only reflected the DiGenova's thinking and that of key U.S. intelligence officials, but caused a strong verbal protest to be lodged with the *Washington Post* by the Israeli embassy March 16.

At the same time, Israeli Defense Minister Yitzhak Rabin challenged the United States to find more Pollards. He stated that Israel is not spying on the United States. In front of an American-Jewish audience of Haddassah women, Rabin said that the United States had broken the deal it had with Israel. According to DOJ-linked sources, the deal Rabin was referring to involved Israel's agreement to allow Sella to be interviewed by DOJ officials on the Pollard case. This arrangement had been made through the State Department's legal advisor and Mossad asset Abraham Sofaer and DiGenova. However, upon learning that the United States intended to question Sella about "other Pollards," the Israelis backed off.

At this point, the entire Israel lobby went into a full-scale cover-up mobilization.

Their first point of attack is Weinberger. According to U.S. sources and columnists Evans and Novak, the Israel lobby is set to go on a propaganda rampage against Weinberger and his policy of shutting down the Lavi jet plane project

and other bilateral military arrangements. These sources point out that the removal of Richard Perle from his post as assistant secretary of defense was seen by the Israelis as evidence of a movement to clean out all their friends in the administration. Therefore, the Israelis are looking to their support in Congress to target Weinberger.

The next phase of the U.S. government's clean up of the Israel lobby and their allies' dirty operations in the United States is the targeting of the heirs of the Meyer Lansky apparatus in Wall Street and the Democratic Party. The recent targeting of the Merrill Lynch office in London, where an Israeli citizen was running a scam netting him upwards of \$4 million, will be one focal point. Most of the Wall Street's insider trading scandals overlap with Israeli dirty-money operations. It is not coincidental that New York U.S. Attorney Rudolph Guiliani is targeting those sections of the Democratic Party and the so-called Italian organized-crime families which historically were integrated into the original "Lansky Plan" to make Israel an organized-crime playground.

According to circles close to the investigation, one of the key figures slated for indictment is former Anti-Defamation League chairman and ex-head of the Conference of Major Jewish Organizations, Kenneth Bialkin. It is through Bialkin that U.S. law enforcement officials are looking to find the source of support for the Pollards in the United States. Bialkin and his longtime associate, Milton Ellerin of the American Jewish Committee, a former FBI Special Agent, helped set up the network through which Israeli intelligence recruits its operatives. Known in intelligence jargon as "talent spotters," Bialkin works closely not only with the most corrupt sections of the FBI, but with the network of financiers and Wall Street insiders who have arranged many dirty-money operations for Israeli intelligence.

Key in this apparatus is the notorious Marc Rich, an American Jew now living in Zug, Switzerland, who was indicted in 1984 by Guiliani for illegal financial transactions. Rich, according to a source in U.S. intelligence, is the key Mossad financial and commodities dealer, with big East bloc connections. He was part of the Solomon Schwartz arms deals operation that led to Schwartz's indictment by federal authorities. His main corporate front in the United States is the Clariden Corporation of Stamford, Connecticut. His main U.S. contact is Rabbi Arthur Greenwald of B International, another Mossad proprietary which ships East bloc materials to Africa under Rich's shipping network.

Rich's operations also tie in sections of the Project Democracy operation run through the National Security Council, specifically, Howard Teicher. Teicher, fired by new NSC chief Frank Carlucci, was Lt. Col. Oliver North's boss at NSC and is considered one of the Mossad's top assets. Teicher is under investigation by the DOJ and special prosecutor Lawrence Walsh in connection with "Irangate." One intelligence specialist speculated that Teicher may in fact be the next Pollard.