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WASHINGTON
FBI CHECKS LEAK OF REPORT ON AID TO ISRAEL
BY JIM ANDERSON

The FBI is looking into a massive leak to news organizations of a classified report on U.S. aid to Israel.

The report by the General Accounting Office, the investigative arm of Congress, was published in an unclassified version June 24 with much of the information deleted, but another version of the report has been circulating in Washington.

A retyped version, with the deletions restored, was given to some news organizations, including United Press International, by the Arab-American Anti-Discrimination Committee.

The ADC later offered its version of the report to anybody who wrote and asked for it.

Originally, Knight-Ridder newspapers and UPI had access to a draft photocopy of the GAO Israeli aid report which was marked "Secret" and "No Foreign Distribution." There were no deletions in the 93-page draft report except for six missing pages of a Central Intelligence Agency assessment of the military balance in the Middle East.

The GAO issued a statement late Monday saying it has "referred the document (put out by the Arab-American group) and the circumstances in question to the Department of Justice for appropriate action." Officials said Tuesday the Justice Department has opened a probe.

The GAO has never before asked the FBI to investigate an unauthorized leak of its documents. One official said, "There have been GAO leaks before, but never this blatant."

The Arab-American group said it distributed the report because, "It is a subterfuge of the highest order to say that this report should be classified, then suppressed for nearly seven months, just because of its damning political indictment of both the United States and Israel."

It did not say where it got its copy of the classified version.

The report, while concluding U.S. financial aid and military sales to Israel have had a generally positive effect and are necessary, also said the aid has contributed to the spiraling arms race in the Middle East.

It also said Israel probably will ask for more U.S. financial aid, if only to start paying back some of the past loans now coming due, which may total \$1 billion in payments due next year.

It also said there were numerous irregularities in the manner of giving aid which -- while not illegal -- cost U.S. taxpayers money because of fiscal shortcuts and because those procedures set precedents for other countries.

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