CIA Probes Congressman's Discretion

By R. Jeffrey Smith

The CIA has sharpened a Bush administration dispute with House Banking Committee Chairman Henry B. Gonzalez (D-Tex.) by opening a formal review of potential damage caused by his disclosures on the House floor of classified information involving Iraq

The CIA review, which comes two months after the administration decided to cut off Gonzalez's access to classified information, is aimed at determining whether his disclosures have compromised intelligence sources and methods, according to two letters sent to Gonzalez last week by CIA director Robert M. Gates and Deputy Director of Central Intelligence William O. Studeman.

edge has embarrassed the administration with his revelations from intelligence files about Iraq, responded yesterday in an indignant letter to Gates that his statements "have in no way harmed the national security or revealed sensitive sources and methods."

Gonzalez charged that "the classification issue is being used as a convenient device to avoid substantive discussion of the issues at hand," and he called for the CIA and the administration to be more forth-

Smith coming about its policy toward Iraq before the Persian Gulf War.

The congressman's disclosures were based on a staff investigation started more than a year ago of illicit loans to Iraq by the Atlanta branch of Italy's Banca Nazionale del Lavoro (BNL), which received some Commodity Credit Corporation loan guarantees to buy U.S.

Among other things, Gonzalez has said the administration was aware of an Iraqi effort to obtain equipment for weapons of mass destruction several years before it acted in 1990 to tighten U.S. restrictions on high-tech exports to Iraq. He also said the administration knew of BNL's illicit loans to Iraq and the bank's financing of arms-related, purchases several days to several months before it approved \$1 billion worth of new loan guarantees to Iraq in 1989.

loan guarantees to Iraq in 1989, Rep. Sam Geidenson (D-Conn.), House Foreign Affairs subcommittee chairman, who has also been investigating the administration's policy toward Iraq, joined yesterday in criticizing what he called its "hiding behind outdated national security classifications" to prevent embarrassing information from being made public.

Gejdenson said at a subcommittee meeting that the State Department has five days to release voluntarily soule additional internal documents on Iraq policy; if it does not, he said, the subcommittee will you to subcommit.

For more than a month, Gejdenson has been seeking summaries of intelligence information about Iraq given to Secretary of State James A. Baker III each morning, and documents pertaining to Iraq that were signed by the secretary or that reflected meetings he attended.

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Barr told Gonzalez in May that the administration would not surrender any new classified documents to the him until it receives assurances that they would not be disclosed in violation of security rules. Deputy Secretary of State Lawrence S. Eagleburger said several days later at a Banking Committee hearing, however, that he was then unable to show any public risk from the disclosures.

Studeman said in his letter that some of the disclosures came from "Top Secret, compartmented, particularly sensitive" documents. But Gonzalez said the committee has no information classified at that level.