Expelled CIA Agent Was Not Gather

By Walter Pincus Washington Post Staff Writer

The CIA officer who was recently ordered out of Germany was working on gathering information there about a third country, probably Iran, administration intelligence sources said yesterday.

Germany expelled the officer to emphasize a new demand that it be kept informed of CIA operations inside its borders, according to the American sources, and not because of anger that the United States was covertly gathering economic intelligence on the Bonn government as initial German reports suggested.

"This was a shot across the bow" by the Bonn government, an intelligence expert said.

The initial report Saturday by the German magazine Der Spiegel said the CIA officer, who was working under diplomatic cover, was expelled for

attempting to gather economic data relating to high-technology projects. An administration source said instead that the target was not the German government "but a third country." The source would not identify

the target, but other intelligence

sources said the CIA over the years has actively used Germany, and particularly now-closed facilities in Frankfurt and Hamburg, to carry out activities against Iran and Libya.

The German government in recent years has been requesting it be kept informed of intelligence operations carried out within its borders, a desire for what the intelligence community terns "greater transparency."

"Germany has come of age," a senior State Department official said, "and is saying as far as intelligence is concerned, 'This is our country and whatever was done in the past must change.'"

"This event is not going to spoil relations between [German Chancellor Helmut] Kohl and the Clinton administration," the official said, while adding, "It is not settled yet."

In U.S.-German relations, matters involving Iran have been particularly sensitive because the Bonn government has been expanding its contacts and relationships with Tehran while Washington has been attempting to isolate and disrupt the Islamic government. The clash in approach was illustrated within the intelligence community when CIA officials were

sharply critical of the head of German intelligence when he met with his opposite number from Iran, according to an administration official.

CIA officials here do not understand why the CIA officer told to leave was selected, because his activities were not clandestine but carried out openly, sources said. The American sources suggested that domestic politics in Germany were involved in the apparent leak to Der Spiegel with hints of U.S. economic spying on Germany.

At one point, the CIA's largest station overseas was Germany with facilities in Frankfurt, Munich, Hamburg, Berlin and Bonn, according to former CIA officials. In those days, U.S. intelligence operations against the Soviet Union and Eastern Europe were undertaken with and without Bonn's approval. With the end of the Cold War, the CIA has reduced its presence there, but not as deeply as the Bonn government would like.

Although U.S. and German intelligence agencies continue to carry out some intelligence activities together, the United States has its own unilateral interests and targets it wants to pursue, sources said. Negotiations to

ing Data on Germany, Sources Say

come to some new understandings between the CIA and Germany's intelligence services have been underway for some time, with the two sides seeking to find some workable balance.

"This put the CIA on notice that the Germans want more progress," one source said.

Officially, neither the State Department nor the CIA would comment on the German situation. State Department spokesman Nicholas Burns said, "We have an intelligence and security relationship with Germany, and we hope very much that we'll be able to take steps to promote that relationship in all of its dimensions and to ensure that the positive relationship continues."

This is not the first time in recent years that U.S. intelligence operations have angered allies when carried out in their countries without their knowledge, one senior administration official familiar with such activities said. The French two years ago tossed out five Americans, including four CIA operatives who under diplomatic cover were caught in an operation seeking to get French officials to turn over information about

that country's bargaining positions on trade talks. More recently, two Americans in New Delhi were expelled from India for carrying on intelligence gathering with a senior Indian intelligence official.

CIA Director-designate Anthony Lake is likely to be questioned about the German situation when he appears this afternoon before the Senate Select Committee on Intelligence for the first day of his twice-postponed confirmation hearing.

Committee Chairman Richard C. Shelby (R-Ala.), who has been critical of Lake's nomination, has outlined a series of areas where he has had questions. The newest among them involve Lake's apparent lack of

knowledge of the FBI briefing of his subordinates on the National Security Council staff about alleged Chinese plans to influence the 1996 presidential and congressional elections.

Yesterday, two current and two former NSC staff members were questioned by Shelby's aides about their contacts with fund-raisers.

Lake, whose nomination has become controversial because of strong Republican opposition, will be introduced today by two GOP stalwarts, Sen. John McCain (Ariz.) and former senator Warren B. Rudman (N.H.), who is vice chairman of the President's Foreign Intelligence Advisory Board.