OTHERWISE
Class. & Ext. By SP-165K | RB6Reason - FCIM I, 1-2.4.

Date of Review 34-

FEB 7 1969ecial Agent in Chara

M Per

PG 97-123

(U)

Concerning the question of subject having diverted U-235 to Israel with has not been resolved. The relatively few individuals interviewed in this matter, including former employees, revealed their suspicions of subject's activities, but produced no concrete information of value in this regard.

The investigation, however, did disclose the probable existence of an Israeli technical intelligence network as AVRAHAM HERMONI's visit to Pittsburgh revealed. The thought comes to mind that this group is not the only one of its type, as HERMONI, no doubt, has contacts in other sections of the country and is collecting information in all fields. An interview would not produce any information regarding this activity as subject and others would, no doubt, deny any wrongdoing and consider any inquiry along these lines as impertinent.

Investigation has further disclosed that subject and others involved in instant case, in addition to holding top positions in their respective fields, are very active and highly regarded in various Jewish organizations which exert some influence in this country. In addition, subject is known to be critical of the Internal Revenue, "other U. S. Government agencies" and President RICHARD NIXON. He has expressed no allegiance to the United States, but has stated he could fight for Israel and is believed to be seriously contemplating migrating to Israel within the next several years.

It is the considered opinion of the personnel familiar with this case that an interview with subject and/or others intimately involved in this case would develop very little pertinent information without jeopardizing the existence of An interview with subject and/or others could conceivably cause some embarrassment to the Bureau and/or the new Administration. It is felt that disclosure by the subject, DAVID LOWENTHAL and others of an investigation by the Bureau could be interpreted by the Israeli Government as being inimical to cordial relations between the Governments at a critical time.

(U) according to are in frequent contact with their



b2



PG 97-123

attorney, JOSEPH SWARTZ, in connection with business and personal affairs. It is further felt that in view of the fact this Bureau has previously interviewed subject, he would, at this time, decline to be interviewed without the presence of his attorney due to the nature such an inquiry would take.

An interview would alert subject's associates to this Bureau's interest in their activities and could cause them to be more clandestine in their actions. This could possibly be beneficial by causing them to think twice before taking any questionable action favorable to Israel, or it could possibly cause, as previously mentioned, the Bureau some embarrassment. It is believed the disadvantages far outweigh any benefits which might be gained by an interview of the subject and/or others involved in this case at this time

