AN investigation into the illicit sale of American nuclear secrets was compromised by a senior official in the State Department, a former FBI employee has claimed.

The official is said to have tipped off a foreign contact about a bogus CIA company used to investigate the sale of nuclear secrets.

The firm, Brewster Jennings & Associates, was a front for Valerie Plame, the former CIA agent. Her public outing two years later in 2003 by White House officials became a cause célèbre.

The claims that a State Department official blew the investigation into a nuclear smuggling ring have been made by Sibel Edmonds, 38, a former Turkish language translator in the FBI's Washington field office.

Edmonds had been employed to translate hundreds of hours of intercepted recordings made during a six-year FBI inquiry into the nuclear smuggling ring.

She has previously told The Sunday Times she heard evidence that foreign intelligence agents had enlisted US officials to acquire a network of moles in sensitive military and nuclear institutions.

Her latest claims relate to a number of intercepted recordings believed to have been made between the summer and autumn of 2001. At that time, foreign agents were actively attempting to acquire the West's nuclear secrets and technology.

Among the buyers were Inter-Services Intelligence (ISI), Pakistan's intelligence agency, which was working with Abdul Qadeer Khan, the "father of the Islamic bomb", who in turn was selling nuclear technology to rogue states such as Libya.

Plame, then 38, was the glamorous wife of a former US ambassador, Joe Wilson. Despite recently giving birth to twins, she travelled widely for her work, often claiming to be an oil consultant. In fact she was a career CIA agent who was part of a small team investigating the same procurement network that the State Department official is alleged to have aided.

Brewster Jennings was one of a number of covert enterprises set up to infiltrate the nuclear ring. It is believed to have been based in Boston and consisted of little more than a name, a telephone number and a post office box address.

Plame listed the company as her employer on her 1999 tax forms and used its name when she made a $1,000 contribution to Al Gore's presidential primary campaign.
The FBI was also running an inquiry into the nuclear network. When Edmonds joined the agency after the 9/11 attacks she was given the job of reviewing the evidence.

The FBI was monitoring Turkish diplomatic and political figures based in Washington who were allegedly working with the Israelis and using "moles" in military and academic institutions to acquire nuclear secrets.

The creation of this nuclear ring had been assisted, Edmonds says, by the senior official in the State Department who she heard in one conversation arranging to pick up a $15,000 bribe.

One group of Turkish agents who had come to America on the pretext of researching alternative energy sources was introduced to Brewster Jennings through the Washington-based American Turkish Council (ATC), a lobby group that aids commercial ties between the countries. Edmonds says the Turks believed Brewster Jennings to be energy consultants and were planning to hire them.

But she said: "He [the State Department official] found out about the arrangement . . . and he contacted one of the foreign targets and said . . . you need to stay away from Brewster Jennings because they are a cover for the government.

"The target . . . immediately followed up by calling several people to warn them about Brewster Jennings.

"At least one of them was at the ATC. This person also called an ISI person to warn them." If the ISI was made aware of the CIA front company, then this would almost certainly have damaged the investigation into the activities of Khan. Plame's cover would also have been compromised, although Edmonds never heard her name mentioned on the intercepts. Shortly afterwards, Plame was moved to a different operation.

The State Department official said on Friday: "It is impossible to find a strong enough way to deny these allegations which are both false and malicious."

It would be more than two years before Khan was forced to admit he had been selling nuclear weapons technology to Libya, Iran and North Korea.

In the meantime, the role of Plame and Brewster Jennings became public knowledge in 2003. Plame's husband, Wilson, wrote a report that undermined claims by President George W Bush that Saddam Hussein's regime had attempted to buy uranium in Niger - a key justification for the invasion of Iraq.

The following week Robert Novak, a journalist, revealed that Wilson's wife was a CIA agent. In the scandal that followed, Novak's sources were revealed to be two senior members of the Bush administration. A third, Lewis "Scooter" Libby, was convicted of obstructing the criminal investigation into the affair.

Phillip Giraldi, a former CIA officer, said: "It's pretty clear Plame was targeting the Turks. If indeed that [State Department] official was working with the Turks to violate US law on nuclear exports, it would have been in his interest to alert them to the fact that this woman's company was affiliated to the CIA. I don't know if that's treason legally but many people would consider it to be."

The FBI denied the existence of a specific case file about any outing of Brewster Jennings by the State Department official, in a response to a freedom of information request. However, last week The Sunday Times obtained a document, signed by an FBI official, showing that the file did exist in 2002.
Plame declined to comment, saying that she was unable to discuss her covert work at the CIA.