

French Prosecutor Starts Probe of U.S. Spy System

PARIS (Reuters) - A French state prosecutor has launched a preliminary judicial investigation into the workings of the United States' Echelon spy system of satellites and listening posts, the prosecutor's office said Tuesday. Echelon, set up during the Cold War, can intercept millions of telephone, fax and e-mail messages, and Washington has been accused of using it for economic espionage against its allies, a charge it denies. The investigation, which could spark a diplomatic row with the United States, would not necessarily lead to legal action, a spokesman for prosecutor Jean-Pierre Dintilhac told reporters. Coincidentally, the European Parliament is due to decide in Strasbourg Wednesday whether to set up a commission to investigate whether Echelon infringes the rights of European citizens and industries. Dintilhac's office began the preliminary investigation in response to a letter by a French center-right member of the European parliament, Thierry Jean-Pierre, who alleged Echelon was potentially prejudicial to French nationals and to France's economic interests. Dintilhac has ordered the state counter-intelligence agency DST to find out whether Echelon's activities could be qualified under French law as "harmful to the vital interests of the (French) nation." Confirmation would lead to legal proceedings, though it was difficult to see how a U.S. government agency could be sued in a French court.

Allegations Are Not New

A report submitted to the European parliament by a British researcher last October said Echelon's eavesdropping activities had resulted in several major contracts going to U.S. rather than European firms.

In particular, it cited a 1994 attempt by the French-led European Airbus consortium to break the U.S. hold on airliner sales to Saudi Arabia.

In 1995, France expelled five U.S. diplomats and officials, one of them the alleged Paris station chief for the Central Intelligence Agency (CIA), in connection with the case.

Current CIA director George Tenet said last March, as controversy over Echelon spread to include charges that it also spied on U.S. citizens, that the United States did not spy on foreign firms to give American companies competitive advantage.

But his predecessor James Woolsey, CIA director at the time when the U.S. is alleged to have used Echelon to beat Airbus to the Saudi deal, said this year that Washington had found that Airbus agents were offering bribes to a Saudi official.

David Nataf, a Paris lawyer representing French firms and individuals who say they have suffered from infringement of privacy by U.S. government agencies, told Reuters that Dintilhac's action came as "a divine surprise." He said French courts had so far been far quicker at replying to requests for action by U.S. government agencies against French nationals than they were at handling cases against official American bodies. "The truth is, our justice system is usually at its fastest when it is asked by the (US) Federal Bureau of Investigation or U.S. Air Force to take action against teenage hackers in this country," Nataf said.

The lawyer said he would seek to link the complaints he lodged last December, but to which no magistrate has so far been assigned, with Dintilhac's action. Nataf declined to immediately name his clients for legal reasons. *Tuesday July 4 8:27 AM ET*