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The Undercover SPY War

The international intelligence operating techniques of the CIA and the KGB leave many experts wondering, who really is winning?

By *Gregg Lightbody*

Espionage is a battle in which almost every country in the world takes part... whether they admit to it or not! Its history dates back to biblical times in Egypt and the 6th century B.C. in China. Though many nations declare espionage an illegal activity, most of them have government bureaus that engage in this undercover war. Whether they're called intelligence organizations, the security service, military intelligence, committee for state security or the secret state police, they often have the same intelligence gathering duties. Israel has their Mossad organization, France has the Second Bureau and the SDECE, Bulgaria has the Dajnavna Sigurnost and Britain has the SIS and MI6. The two largest combatants in this clandestine warfare are, not suprisingly, the Soviet Union's KGB and the United States' CIA.

The roots of the Central Intelligence Agency go back to 1942, founded during World War II when President Roosevelt established the Office of Strategic Services (OSS) to collect and analyze strategic wartime intelligence information required by the Joint Chiefs of Staff. After the war, in 1945, President Truman closed the bureau on the grounds that intelligence operations had no place in peacetime. This peacetime euphoria, however, was very short-lived. Congress became alarmed by the escalating cold war campaign of espionage, subversion and hostility directed from the Kremlin. So, in 1947, Congress passed the National Security Act, which established the CIA under the authority of the National Security Council (NSC). The CIA has little domestic involvement (with the exception of directives from the NSC regarding matters of national security), leaving counter-espionage duties in the United States up to the FBI.

Today, the CIA headquarters building is located in Langley, Virginia. The current Director of Central Intelligence (DCI) is William Casey, a member of the 1943 wartime staff of William Donovan, founder of the OSS. While the DCI is head of the CIA, he is also the leader of the larger U.S. Intelligence Community. This community is made up of 11 separate executive branch agencies and organizations that conduct a variety of intelligence activities and include Department of Defense elements such as

the National Security Agency (NSA) and other groups such as the State and Treasury Departments.

Current CIA organizational charts list five deputy directors; four of them represent a major arm of the CIA: operations, science and technology, administration, and intelligence. The operations arm collects foreign intelligence largely through secret means and carries out counterintelligence abroad. Science and technology collects and processes information gathered by technical collecting systems and is in charge of developing more advanced equipment to improve the process. The administration arm handles the daily administration and security of the organization. The intelligence branch is the largest of the four arms and is the Director's principal adviser on the production of national and international intelligence. Offices in this branch research and analyze major geographical areas of the world. No accurate figure pertaining to the CIA's budget or number of agents is available to the public.

Unlike the decentralized intelligence community of the U.S., the Soviet Union's intelligence organization is almost completely centralized in the *Komitet Gosu-*

darstvennoe Bezopasnosti (KGB) or Committee for State Security. The KGB invades every aspect of Soviet life, with expansive powers both at home and abroad. There are KGB officers in the armed services as well as the rival Soviet military intelligence service *Glavnoye Razvedyvatel'noye Upravleniye (GRU)*.

Unlike the U.S. effort, Soviet intelligence forces have been viable since Czarist police sentenced internal dissidents to Siberian labor camps. The Soviets, though, have devised a policy to change the name of their security organization when the old name begins to connote too sinister an image. Since the 1917 Bolshevik revolution, the original CHEKA (Extraordinary Commission for Combating Counterrevolution and Espionage) organization was used as a weapon against Russian people and non-communist nations under the euphemisms GPU (1922-23), OGPU (1923-34), NKVD (1934-46), MVD (1946-54) and, finally, the KGB (1954-present).

The KGB headquarters is located in Moscow's Dzerzhinsky Square, about two blocks from the Kremlin. The rear of the building houses the Lubyanka prison for political prisoners, made infamous as the



SCOTT STANTIS

capital's extermination center during Stalin's ruthless regime. The KGB's foreign operations division is housed off the 12-lane Moscow Ring Road, while another administration building is located in Machovaya Ulitza. Commanding the KGB is Viktor Chebrikov, an ex-army general who succeeded Yuri Andropov to the top KGB job and a recently elected member of the ruling Soviet Politburo.

The KGB is divided into four chief directorates, nine independent directorates and six independent departments. While most of the KGB's duties deal with internal Soviet security in one form or another (three of the four chief directorates deal with internal security, border security and political, religious and ethnic dissent), the First Chief Directorate is responsible for most of its foreign operations and overseas espionage. Infiltration of Soviet spies into Western and third world countries is divided into 10 departments that are responsible for certain geographic areas. Other departments in the First Directorate are more



Today's KGB headquarters is located in Moscow's Dzerzhinsky Square about two blocks from the Kremlin. The Department A, or Disinformation Service, is charged with the responsibility for spreading Soviet propaganda, half-truths and lies.



specialized to support the aims of the KGB; these are Dept. A (the disinformation service that's charged with spreading propaganda and mistruths) and Dept. V (often called the Executive Action department), where assassins and saboteurs receive specialized training. Estimates of the KGB's budget and agent strength are almost as difficult to ascertain as the CIA's. The KGB, however, is thought to have an overall strength approaching half a million people, which is several times the size of all U.S. intelligence agencies.

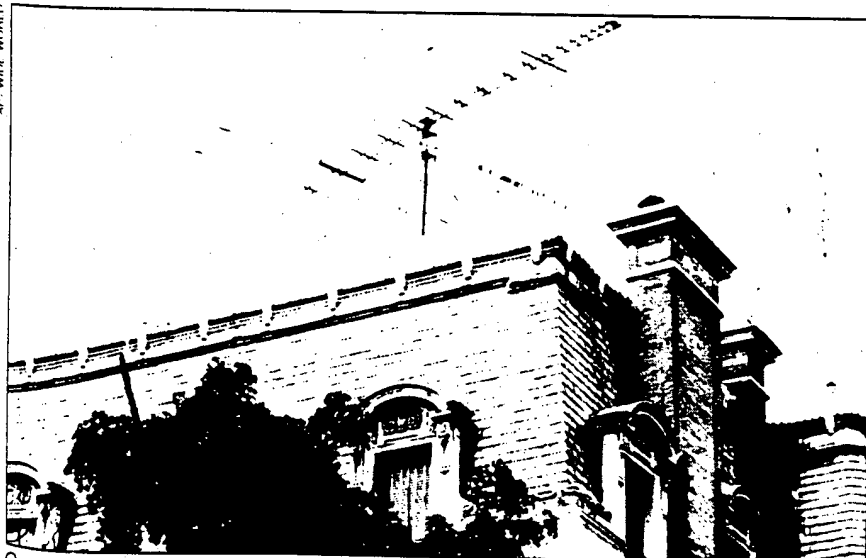
TACTICS AND TECHNIQUES

Ensuing current operations of any intelligence organization is like pulling teeth. Nobody really wants to get specific about what they do. There's a lot they don't want to talk about for fear of jeopardizing agents or specific operations. Tight operational security is based on a "need-to-know" principle. Some methods, though, are basic.

The majority of intelligence gathering operations (some 80 percent) is available from open sources. The KGB's greatest asset in the U.S. is our nation's accessible society. We are so accessible, in fact, that the Soviets can glean upwards of 90 percent of their intelligence from nonclassified documents, technical publications, educational seminars and industrial trade shows. Some publications are so valuable in analysis and technical military programs that they are flown immediately to Moscow and are even translated en route!

The remaining 10 to 20 percent of information necessary for the operation of an intelligence agency is obtained through clandestine espionage activities. The manner in which secret information is obtained and the extent of these practices runs the gamut from payoffs, sexual exploitation, blackmail and violence, to technological eavesdropping and everything in between.

Both sides actively seek to plant agents and operatives inside one another's spy



Our nation's capital—Washington, D.C.—is a hot-bed for ongoing Soviet KGB espionage. These special antennae atop the Russian Embassy in Washington are not there to receive their favorite TV shows, but are used to transmit back to Russia!

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services and political machines. The vigor and methods used to obtain espionage goals depend mostly on what will achieve desired aims and how badly either operation wants them. The KGB's advantage here is that they don't have to answer to the citizenry, nor do they have to face limitations from Congressional committees as the CIA does.

Both sides claim successes in the espionage game, but both have also suffered defeats. In the U.S. we hear mostly about the defeats of our bureau because they make the biggest headlines. The successes may not even be known to the public, depending on their proximity and sensitivity to foreign governments. In this undercover world of spy vs. spy, few can say which side is coming out on top.

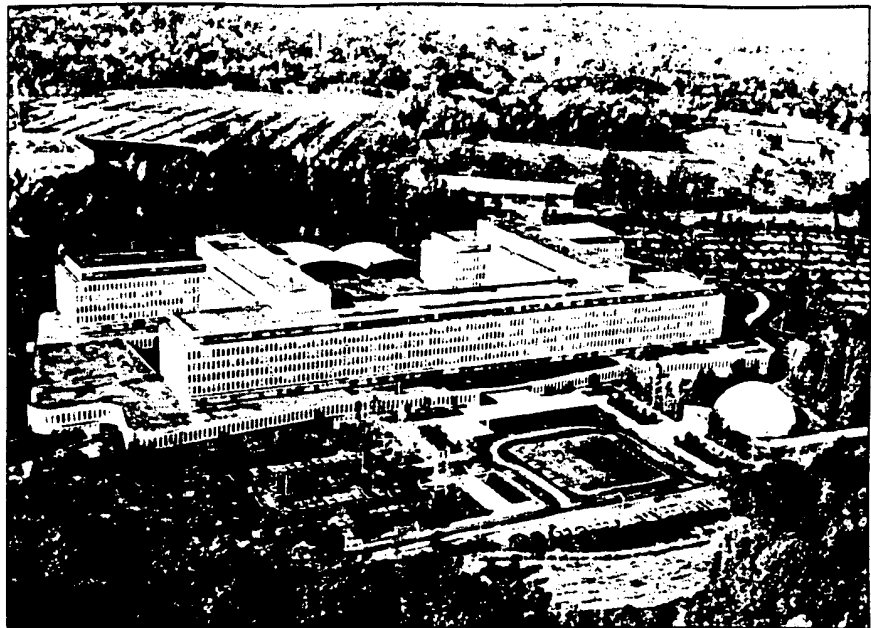
KGB OPERATIONS

Internally, the KGB has an extremely free hand to deal with dissenters from the Soviet system. In Stalin's time, they would be shot. Today, the KGB may hold a mock state trial, which will either rule the defendant guilty and sentence him to a concentration camp, or find him insane and ship him off to a mental institution. In these institutions, "patients" are treated for paranoid and schizophrenic delusions of reforming society.

For visitors to the Soviet Union, the need for cautious behavior cannot be over-emphasized. KGB officials begin to keep track of your travels and itinerary long before a foreigner is allowed into the country. The day a visa application for travel to the U.S.S.R. is received by Soviet officials, the investigation begins. The visa application may be accompanied by a report from the KGB Residency in the country where it is submitted and referred to an evaluating officer in the 7th (tourist) department of the Second Chief Directorate. Files are checked and any information the KGB has on the applicant is routed through appropriate departments. For instance, the Scientific and Technical Directorate is briefed about visits by scientists, the Industrial Security Directorate about visits by businessmen and the Disinformation department may be alerted about journalists.

If a visa is granted, the KGB may decide to influence, attempt to recruit the traveler as an agent or merely watch him. Surveillance of visitors is facilitated by the imposition of an extremely strict itinerary, where significant deviations are prohibited. Associating with Soviet citizens will be arranged by the KGB, so encounters with common citizens are unlikely.

If the KGB has more than a routine interest in a foreigner, the surveillance is much more thorough. A photograph is secretly taken at the point of entry, and the picture precedes the visitor by wire photo



Today, the U.S. Central Intelligence Agency (CIA) is headquartered in a heavily guarded facility in Langley, Virginia. No exact count of agents is ever made public!

wherever he goes. Restaurants, hotels and meeting places are alerted to keep an eye on the subject. Along with the standard microphones planted in the hotel room, they may install daytime and infrared cameras to record his actions in the dark. Paint and powdered tracing chemicals (invisible to the eye) may be introduced to the visitor's clothes and pockets to mark letters which the post office can detect.

In recruitment operations, the KGB will try to involve the foreigner in activities ille-

gal to the state such as black market money trading, correspondence smuggling, professional or personal favors, heterosexual or homosexual blackmail or other embarrassing circumstances. The subject is then convinced that the only way he can extricate himself is by cooperating with the Soviet authorities. They may then opt to dismiss his indiscretions. The foreigner may be held incommunicado while specialists extract technical details of the subject's work and/or extort pledges to become a spy for them in the future.

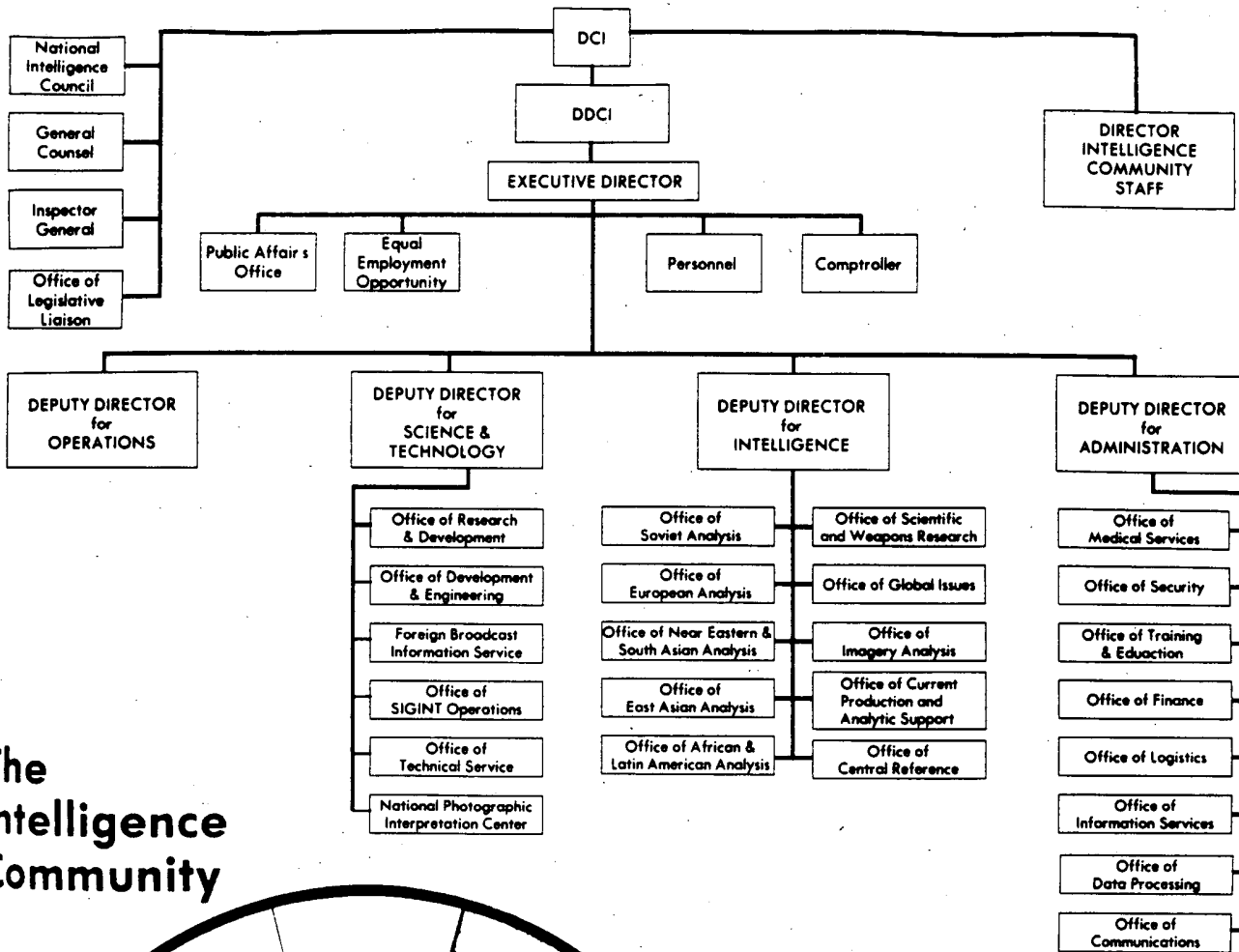
Suspect foreigners are subject to hundreds of ploys such as being drugged while their accommodations or person are searched. One textbook incident involved a married American politician who was drugged. When he regained consciousness, the American was confronted by an agent with compromising photos of him and an unidentified woman engaged in sex. He was told to cooperate or his political career would be ruined with the released photos.

Outside the Soviet Union, the KGB cannot afford to be so blatant in a suspicious world. The old notion of awkward spies with thick accents in trenchcoats and ill-fitting suits no longer applies. Many Soviets are in foreign countries under the guise of diplomatic status. KGB and GRU personnel account for up to 90 percent of embassy officials. Their cover is their diplomatic standing. Should they be caught at the business of espionage, they routinely claim diplomatic immunity and usually leave the country, declared *persona non grata* by the host nation. It's a two way

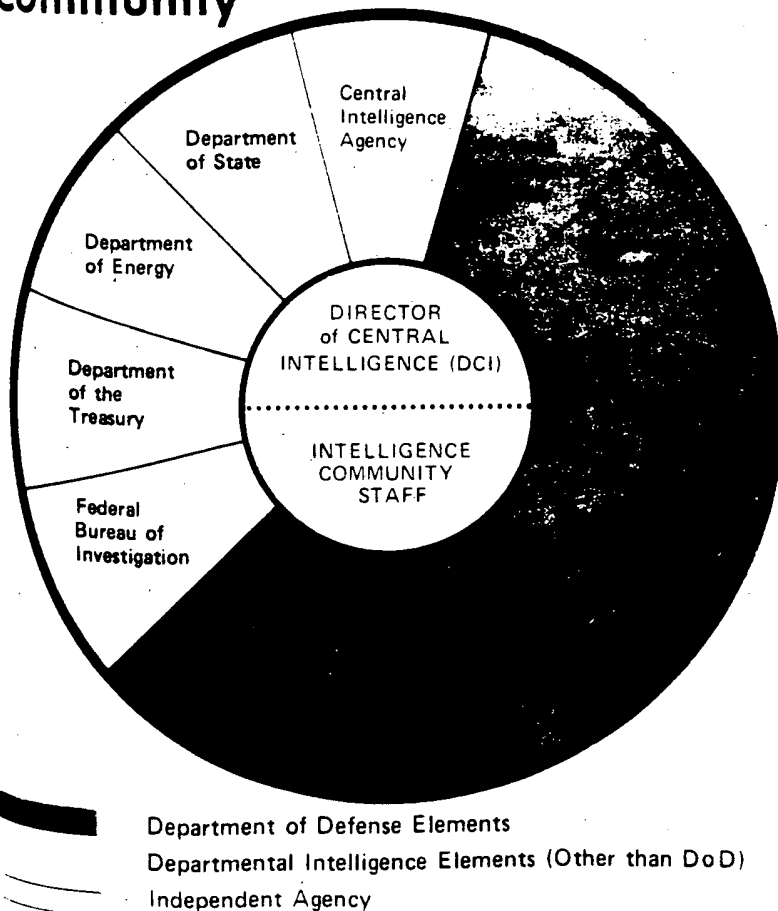


Mr. William Casey is the current Director of Central Intelligence (DCI) and is head of the entire intelligence community.

Director of Central Intelligence Command Responsibilities



The Intelligence Community



street, since Moscow may retaliate by deporting a U.S. diplomat as well.

Many agents aren't Russian at all, but legal citizens of the country in which they serve. This allows the agent broader access to classified and sensitive material. Their introduction into the world of espionage may be forced and cajoled through similar methods of sexual blackmail as previously described, or it could be the result of an individual choice, as was true of ex-TRW employee Christopher Boyce, former Northrop engineer Thomas Cavanagh, or the latest headline grabber—the "all in the family" spy case of John Walker.

In the Boyce case, Boyce contacted the Soviet Embassy in Mexico City with the aid of a drug dealing friend. Through some convoluted sense of morality and adventure, Boyce sought to aid the Soviets with satellite research information. In the Cavanagh case, the Northrop employee tried to contact the Soviets' San Francisco Consulate, willing to sell U.S. research and technological plans for the "Stealth" bomber for \$25,000. Cavanagh was apprehended immediately because of the FBI's contact program of Soviet and Soviet bloc facilities surveillance. Boyce continued his espionage activities for quite some time due

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One of the latest Soviet espionage success stories centers around "all in the family" John Walker spy case that may have very seriously damaged and compromised U.S. Navy submarine detection operations and possibly brought about radical changes in the way Soviet subs operate on a mission.

to a lack of aerospace company security and the inherent wariness of his drug smuggling comrade.

In KGB-inspired espionage cases, the methods of recruiting an indigenous agent are often limited in creativity exploiting basic human weaknesses of sexual desire, revenge, adventure—most commonly money, as we see in the Walker case. The KGB regularly haunts bars near military installations and facilities and approaches people in susceptible positions. Over a short time, they will prey on the vacillating feelings of the informer. Easily obtained credit information will give the recruiter a list of overextended and debt-ridden prospects. They are then approached with financial offers in return for information.

One transaction of seemingly worthless nonclassified material may seem like a harmless act to the would-be traitor. That first transaction, however, is secretly photographed and can subsequently be used for blackmail purposes.

Similarly, a darker side of these relationships exists as well. A former Hughes engineer, entrapped with large sums of money by Polish agents, said he was shown photographs of his ex-wife and son. Another agent informed him that "our security depends on each other and that if anybody

got out of line (he'd) take care of them." In addition to these engineer spies are penetrative moles—clerks, runners, secretaries—who may work for an organization for years without detection. Rather than working from the outside to obtain secrets, they are accepted members of the team, constantly exporting secrets.

Why a person would turn to espionage is open to psychological questioning. Once they've consented to spy, though, many are consoled with the supportive rationale that they are valuable public servants who should be praised for helping both sides avoid surprises and helping to deter war. The ideological motives applied to this are designed to give the informant moral strength to continue the "noble" work of selling out his country.

More sophisticated methods of espionage will never completely replace the traditional spy, but state-of-the-art practices can only improve with technological advances. With the growth of complex electronic eavesdropping methods, the KGB can monitor telephone conversations dialed from specific phone numbers in a building and other "over-the-air" unsecured communications. One look on the top of the new Soviet Embassy complex in Washington, D.C., shows a vast array of

sophisticated antennae trained on nearby communications facilities.

Their new facility is 350 feet above sea level with a commanding view of the entire Washington area and a clear line of sight to the State Department, the White House, the Pentagon, Commerce Department and a number of important foreign compounds, including the British, West German and French Embassies. Even the CIA headquarters in Langley is partially in electronic view along with key microwave relay towers for telephone and data-transmission communications from Washington to other cities on the East Coast.

The U.S. and the U.S.S.R. have both invested billions of dollars to try and intercept the communications of the other. Much of this is done from reconnaissance satellites which hover over a country in a stationary orbit position. Reports of being able to read license plates of arriving and departing vehicles may or may not be exaggerated at this time, but these satellites are only the first salvos in the growing complexity of electronic visual and communication eavesdropping.

Despite the cautions of outdoor discourse to avoid eavesdropping methods, conversations of persons walking may still be subject to electronic surveillance

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Sophisticated methods of spying will never replace the traditional "cloak and dagger" technique, but new complex seeing devices and listening equipment, etc., are making it even easier for the KGB to spy on U.S. interests.

through the use of long-distance video cameras, lenses and "long-throw" listening devices.

Gathering communications signals is such a valuable part of intelligence gathering that KGB collection vehicles (in the guise of fishing trawlers) dog most U.S. naval exercises to monitor radio communications and any relayed test data. They also appear at coincidental times and places in world ports.

Once stolen secrets or materials are in the hands of the spy, clandestine methods are used to relay the information to the right people for transportation to appropriate headquarters. Elaborate hand-to-hand relays between five or six persons in a

crowded meeting place may be used when surveillance is suspected. Often, though, a dead drop or "post box" hiding place is used to exchange information or orders.

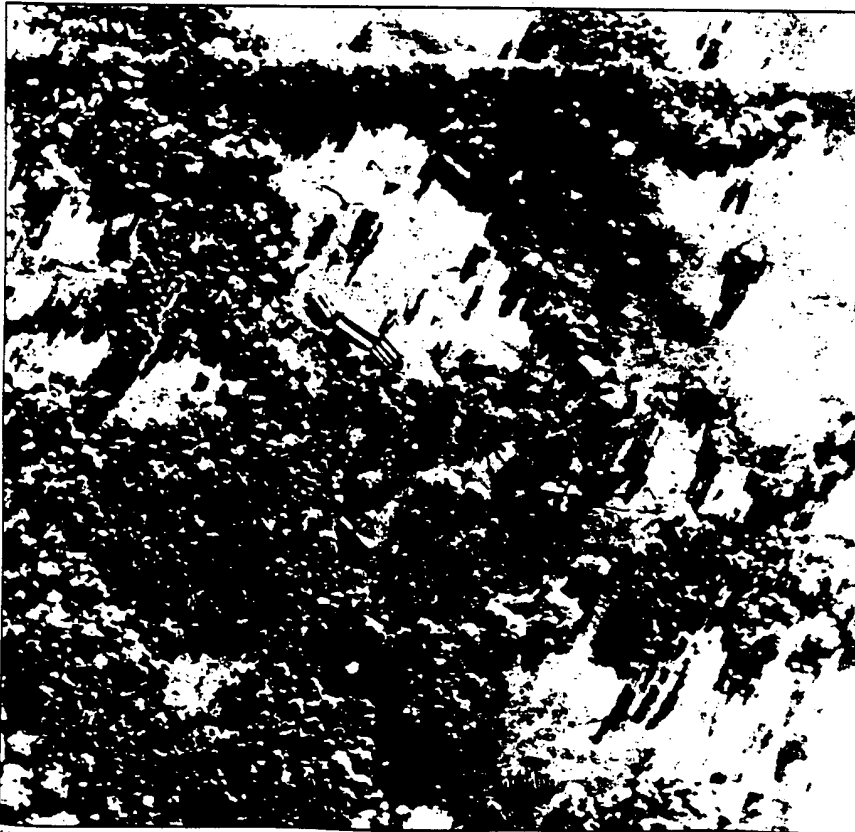
Getting the information out of the country presents another problem. If the material is a written message, it can be encoded into ciphers, other elaborate codes or a telephone screech. (An ordinary tape-recorded message can be sped up so that it sounds like a high-pitched whine. The sender plays the tape in the background as he carries on an ordinary telephone conversation. A tape recorder on the other end records it at the same speed it was transmitted and then slows it down in order to decipher the message.)

Diplomatic pouches, secret compartments, secret inks, microfilm and microdots are also used to smuggle out valuable information. Microfilm fits nicely at the bottom of a pack of cigarettes. The immunity of diplomatic baggage has even been used to smuggle out people (double agents who refuse to return to the motherland). Large steamer trunks so marked have been found to contain bound people.

One of the most frustrating forms of espionage that has surfaced during the last decade is the export of embargoed, technologically advanced machinery and scientific secrets. Export inspections have been beefed up recently, but there are many vulturesque businessmen who don't hesitate to make fast money by shipping advanced technology with misleading manifest labels to hostile countries by a network of phoney front organizations. Top-secret computers and electronic equipment capable of military use are leaking into the hands of the Soviets at an ever increasing rate. Lenin's quote about hanging the West with the very rope they've sold the U.S.S.R. is no laughing matter.

Of all the KGB organizations designed to secure information and enforce control, none is more sinister and vicious than their Executive Action Department within the First Directorate. Disbanded and regrouped many times under a variety of names, including Dept. V, Dept. 13 and SMERSH (an acronym for the Russian phrase meaning "death to spies"), they are responsible for the "wet (bloody) affairs" of the KGB's organization. Assassins are trained at a spy school off of Metrostroeviskaya Street in Moscow and are later transferred to a country farm at Kuchino, just outside Moscow.

Here, training is specialized in the use of poisons and drugs which will give the impression of death by natural causes. SMERSH is credited with several well-known assassinations, including Leon Trotsky's death by an ice ax to the head and the prussiate acid (a salt of hydrocyanic acid) deaths of Ukrainian nationalists Lev Rebet and Stefan Bandera. In 1978, Bulgarian Georgi Markov was assassinated on a London street by a puncturing um-



Working with information gathered from a variety of sources, including spy satellite photos such as this one showing missiles in Cuba in 1962, the CIA strives to keep tabs on what the "other" side is doing that could affect our nation's security.

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brella tipped with a tiny metal ball. The platinum and iridium ball measured 1.52 mm in diameter. Two pin-tip holes sealed with wax released the toxic content, ricin (one of the five most toxic substances in the world), once the ball was under Markov's skin. He died within four days. This division is also thought to have worked with the *Dajnavna Sigurnost* (Bulgarian Secret Police) in masterminding the shooting of the Pope in 1981.

CIA OPERATIONS

Naiveté was the reason the OSS was disbanded after WWII. The belief that our adversaries would "play by the rules" was assaulted in the two years before the NSA was established and the CIA was created in 1947. By the mid-'50s, American foreign policy and CIA intelligence operations became increasingly global. The unrest that the U.S.S.R. was rousing, the rising tide of revolutionary and "liberation" actions, Mideast tensions, trouble in the Indochina states, events in the Congo and Castro's revolutionary plans for Latin America all required day-to-day intelligence coverage of behind-the-scenes activities of both friendly and unfriendly governments.

Reporting on many CIA operations is speculative. Those that fail get a lot of media attention, and those that succeed are often handled so gracefully that they may never be known. While CIA tactics are similar to the KGB's and espionage maxims worldwide, the CIA has no department for assassinations that compares to Dept. V of the KGB's First Directorate. Covert action operations intended to influence foreign regimes, however, are not limited to either side. In addition to its information gathering missions, the CIA's duties have expanded under the Reagan Administration to combat the Soviet theft of U.S. technology, international terrorism and drug trafficking.

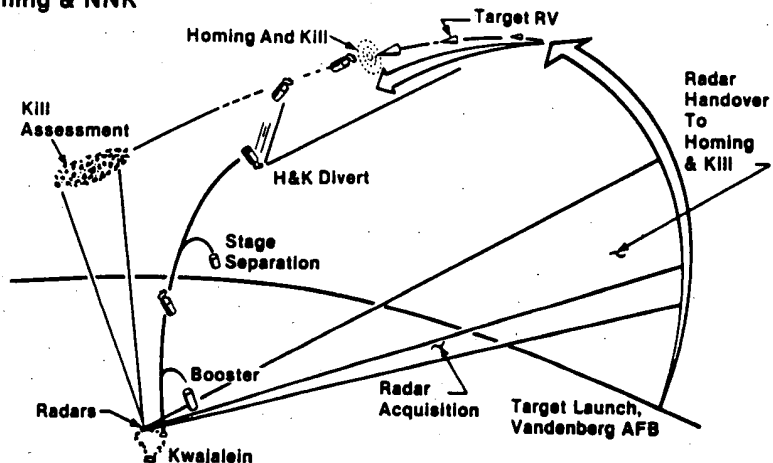
The CIA has done a lot to combat the Soviets' primary means of gaining U.S. technology by establishing a Technology Transfer Assessment Center that analyzes what Moscow's tech needs are and how they may attempt to get them. The Soviets have saved billions of dollars in research and development monitoring Western technological developments and then stealing them. Moves have been made to better coordinate the FBI's counterintelligence organization with the CIA and the U.S. Customs Service in an effort to plug the legal and illegal export of high-tech equipment.

International terrorist organizations are receiving more scrutiny from the CIA than ever before. There is movement toward creating an inter-pol-type data base with friendly countries to form an anti-terrorist information network to combat suspected terrorists. Special units of skilled agents are

Objective

- Demonstrate Exoatmospheric Homing & NNK

Homing Overlay Experiment (HOE)



One area in which the KGB is expending a lot of effort is in the arena of the Strategic Defense Initiative (SDI) or "Star Wars." ICA was told by one spokesman for the Pentagon that it is the "Soviet spy's #1 target." Programs such as the Homing Overlay Experiment, where the "net" warhead (left) actually intercepted a missile in space (above right), is of great interest!

set up and ready to perform worldwide on short notice in support of local authorities, should an incident occur.

It has been known for a long time that the illegal drug market has helped finance communist guerrilla action worldwide. Information garnered by the CIA on narcotics industry methods of laundering drug money overseas and estimating the size of marijuana and opium crops through the use of surveillance satellites is beginning to pay off. The hefty \$80 billion-a-year narcotics trade is starting to feel pressure from the combined efforts of the CIA, Drug Enforcement Agency (DEA), Customs Department and the State Department. Information leading to the arrest of the Chief Minister and other cabinet officials of the Caribbean island colonies of Turks and Caicos Islands came from DEA and CIA cooperation. CIA activities along the Burma-Thailand border, the "golden triangle" of opium production, are helping to stem the flow of illegal drugs from that area.

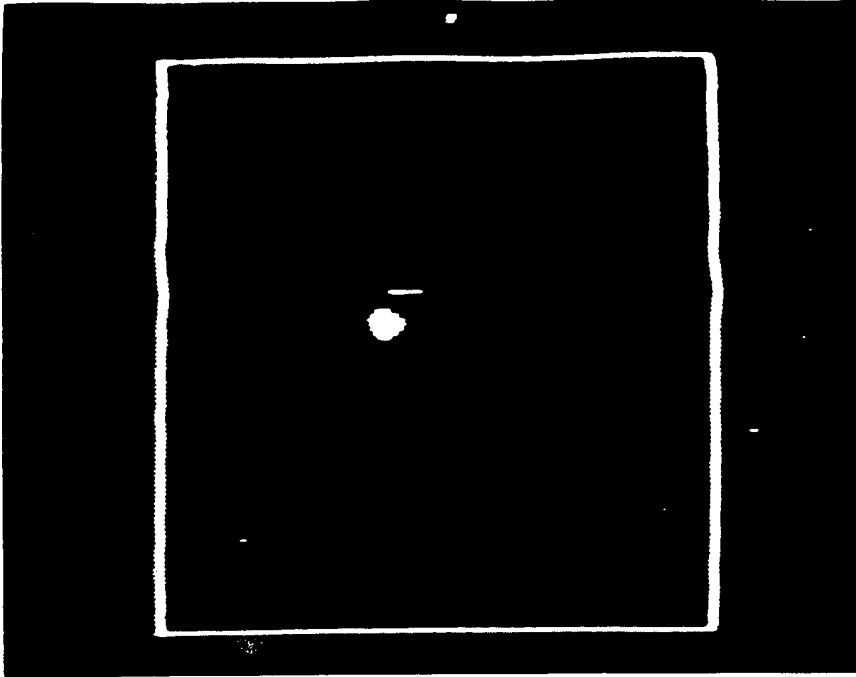
Internally, the CIA's position is that they have no domestic involvement and

leave counterintelligence up to the FBI. It's the FBI's responsibility to follow the affairs of visiting Soviets and diplomats of other countries. The CIA, however, is authorized by the charter of the NSC to follow internal directives to provide for national security.

The CIA is also alerted to the visa applications of visiting foreigners. Before the 1984 Los Angeles Olympics, a number of foreign "trainers" traveling with their teams to the summer games received healthy skepticism from the agency. Some were refused entry into the U.S. due to their questionable backgrounds.

Because of the U.S.S.R.'s closed society, where public information is not printed in volumes as it is in the West, more emphasis is given to espionage activities and the placement and recruitment of informants and agents. The CIA has been fortunate in the area of recruiting dissenters from the Soviet system. An increasing number of valuable defectors have provided insight into the operations of the KGB, Eastern European countries and the Kremlin.

Continued



Indoctrinated agents of both countries have occasionally chosen to split ranks and break with their espionage systems to join the other side—and it's not always money that entices them to defect. It's more than interesting to record, though, that the CIA is the winner more often than the KGB in this defection game.

All kinds of conclusions can be drawn from this proportion, but time and again, defecting Soviet agents cite a hypocritical attitude in high communist authorities and a brutal disregard for the dignities of human existence. These denunciations are so strong that they imply a hatred of the system from which they come.

It's safe to say that neither side will ever really "win" this undercover war of spy vs. spy. Information objectives are short-lived victories that may or may not lead to strategic and tactical victories. While each side practices their own brand of warfare, with differing moral standards, the goal is the same: learn as much as you can about the other side, anticipate their moves and counter without blowing your cover. ●

One of the premiere informants in the Western world was GRU Colonel Oleg Penkovskiy, who gave valuable information on the operations of the Kremlin during the threatened Berlin showdown of 1961 and the Cuban missile threat of 1962. Penkovskiy and more recent informants such as U.N. Diplomat Arkady Shevchenko were neither paid agents nor ordinary defectors. They were two intelligent and high-ranking officials who detested the way their government did business. They sought to alter the balance of that system as best they could.

The CIA is back on its feet again, revitalized after embarrassing revelations and excesses in the 1970s and short-sighted cutbacks under previous White House administrations. The clearest sign of the CIA's revitalization is its progress in providing National Intelligence Estimates (NIEs) for analyzing world issues. These estimates have become more accurate and are completed for congressional and administration review more rapidly than before. They also give more credence to conflicting opinions within the agency.

Among the most controversial, and sometimes crucial operations of the CIA, are covert actions designed to affect the affairs of foreign governments. Assistance for guns and ammunition in Afghanistan continues, as does open assistance to the *Contras* of Central America. Many agency employees may not advocate covert operations of this sort, but there must be an alternative course of action between a faulty democracy and calling out the Marines.

IS EITHER SIDE WINNING?

The spooky world of the CIA & KGB is interlarded with shadowy agents, lies, double agents and dirty tricks. Agents on both sides are sworn to do what is necessary to ensure their country's success, as underhanded or illegal as their methods may be.



Atomic weapons, lasers, particle beams, communications satellites or any new system that the U.S. military is developing is going to remain a prime target for the KGB and any "traitorous" spies they can enlist. Needless to say, the teeth are being put back into the CIA in order to combat this ever-growing problem.