

## CHAPTER 2

### INTRODUCTION

In the early 1990s, the new Russian counterintelligence service embarked on a mission to reclaim the former KGB's internal security power, which had been diminished with the fall of the Soviet Union in 1991. A spate of press articles in early 1996 by spokesmen for the Federal Security Service (FSB) boasted the service's role in protecting the state from foreign subversion. FSB officers noted that the service has the responsibility to monitor foreign astronauts at "Star City" and to prevent the emigration of Russian scientists. The FSB has also bragged about the arrest of Israeli, Turkish, and North Korean spies and the expulsion of a British businessman and an Israeli diplomat. The government moves against ecologists further revealed a resurgence of FSB internal power.

Although there continues to be mutually beneficial cooperation between Washington and Moscow, relations between the two countries deteriorated after the election of Vladimir Putin to the Russian presidency on 26 March 2000. Both countries accuse one another of increased espionage activity. However, in light of the terrorist attack on the World Trade Center in New York and the Pentagon in Washington, both sides are cooperating to bring the terrorist organization run by Usama bin Laden to justice.

Internally, the FSB has increased its visibility. One reason for this heightened FSB profile is the personnel changes made by Putin who brought in people he worked with in St. Petersburg or in the security apparatus. Putin stated that he was seeking a professional government that could include members of various political factions. Some observers, however, raised civil rights concerns about a government that was heavily staffed by personnel with long careers in the Soviet-era security apparatus. Putin promoted Sergey Ivanov, Secretary of the Security Council, who is an ex-KGB officer and close friend and Nikolay Patrushev, FSB Director, who knew Putin

in the Leningrad KGB.<sup>1</sup> Putin also quietly replaced fourteen presidential representatives in the regions with former security officers.

FSB director Patrushev said that, in 1999, his service stopped the activities of 65 foreign individual officers and prevented 30 Russian citizens from passing secrets to foreign intelligence services. In 1998, the FSB foiled the activities of 11 intelligence officers and caught 19 Russian citizens attempting to sell classified information to foreign secret services. And in 1996, then-FSB chief Nikolai Kovalyov said the FSB had exposed 400 employees of foreign intelligence services and 39 Russians working for them during the period 1994-96.

The Sutyagin case follows the sentencing in December 2000 of retired US Navy officer Edmund Pope to 20 years for spying. Pope, who was arrested and charged with espionage, was the first American to be sentenced for espionage in Russia for 40 years, although he was quickly pardoned by Putin and returned to the United States. Following the Pope case, the FSB arrested American John Tobin on drug charges but continued to suspect he was an intelligence operative. They also told an American teacher, Elizabeth Swift, to leave Russia.

In the United States, two former Soviet agents were finally caught. On 13 October 1998, the FBI arrested retired US Army intelligence analyst David Sheldon Boone charging him with selling secrets to Moscow. George Trofimoff, a retired Army colonel, was arrested on 13 June 2000 and accused of spying for the Soviet Union in a 25-year-long Cold War conspiracy. Both men were later convicted of espionage.

On 8 December 1999, the FBI detained Russian intelligence officer Stanislav Gusev as he was recording transmissions from a bug implanted in a

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Department of State conference room. Gusev was declared *persona non grata* and required to leave the United States.

In February 2001, the FBI arrested Robert Hanssen, one of its most senior counterintelligence officers, on charges of spying for Russia between 1985 and 2001. On 21 March, the United States expelled four Russian diplomats for alleged espionage activity in connection with the Hanssen case. At the same time, 46 other Russian diplomats believed to be intelligence officers were ordered to leave the country, a move reportedly aimed at reducing the heightened level of Russian espionage activity in the United States. This was the largest such expulsion since President Ronald Reagan ordered the expulsion of 80 diplomats in 1986. On 22 March, Russia retaliated, expelling four US diplomats and announcing that 46 more were ordered to leave by July.<sup>2</sup>

In January 2001, there was reporting that the Russian Government was considering reorganizing its intelligence apparatus. Ivanov, secretary of the Russian advisory Security Council, was quoted by Russian press agencies as saying that strengthening the links between the services was one of the priority issues for the next six months. The likely services involved would be the FSB, the Border Guards, and FAPSI, which is responsible for intercepting communications. In November 2000, the government had proposed draft legislation in the Russian parliament to reunify the intelligence services, but it created such concern by liberal critics about recreating a KGB-type organization that the measure did not pass.<sup>3</sup>

Konstantin Preobrazhensky, a security analyst and former KGB officer, who is now a strong critic of the services, said he doubted that the intelligence

services could be reunited as a single entity. He said that each service—including the SVR—had its own ministerial-level chief who would not be in favor of relinquishing power or serving under a single head.

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### Endnotes

<sup>1</sup> Richard Staar, *Perspective*, March-April 2000; Federal News Service, 29 March 2000.

<sup>2</sup> Stuart D. Goldman, *Russia*, Congressional Research Service, The Library of Congress, 26 March 2001.

<sup>3</sup> Andrew Jack, “Shake-up could revive KGB,” *Financial Times*, 8 January 2001.

## Theodore Alvin Hall

On 1 November 1999, Theodore Alvin Hall died of cancer in Cambridge, England, at the age of 74. As a 19-year-old Harvard physicist, he helped develop the atomic bomb at Los Alamos, New Mexico, during World War II and also passed the vital secrets of his work to the Soviet Union. A Soviet cable declassified by the National Security Agency in 1995 identified Hall and his Harvard roommate, Saville Sax, as Soviet informants.

The FBI had questioned Hall and Sax in 1951, but did not press charges for lack of evidence. The vital secrets of his work involved the “implosion principle,” developed at Los Alamos as a way to ignite an atomic bomb. At the time the cable was published, Hall was at the end of a distinguished career at Cambridge University, where he had been a pioneer in developing biological X-ray microanalysis.

Hall was quoted in 1997 as saying that, in 1944, he was concerned about the dangers of an American monopoly of atomic weapons if there was a postwar depression, and he contemplated meeting with the Soviets to inform them of the existence of the atomic bomb project. He reportedly passed a description of the implosion principle to Sax, who took it to their Soviet control officer in New York City. Sax died in 1980. Neither Sax nor Hall was ever charged with espionage.

## State Department Security Breaches

Significant security breaches occurred at the Department of State, which this series of incidents reveals serious deficiencies in security awareness, practice, and culture at the Department.

In February 1998, an unidentified man, wearing a tweed jacket, entered the Secretary of State’s seventh floor office suite and removed classified documents, including documents classified as Sensitive Compartmented Information (SCI). The man in this “tweed jacket incident” has never been identified, and the documents have never been recovered. In addition, poor procedures for handling classified information resulted in the Department’s inability to reconstruct which documents were taken. Without such information, a full and complete damage assessment was not possible.

In January 2000, a laptop computer containing highly sensitive classified intelligence materials, including SCI material relating to weapons proliferation, was discovered to be missing from the State Department Bureau of Intelligence and Research (INR) and is presumed stolen. Despite an obligation under the National Security Act of 1947 to keep the intelligence committees “fully and currently informed of all intelligence activities,” including “significant intelligence failures,” the Committee was not informed of the loss of this laptop computer until after *The Washington Post* reported the story in April 2000.

Following the “tweed jacket” affair, the SSCI, in the Annex to the Intelligence Authorization Act for Fiscal Year 1999, directed the State Department Inspector General (IG) to review and report on State Department policy and procedures for handling classified information within the State Department Headquarters facility. The September 1999 IG report, entitled “Protecting Classified Documents at State Department Headquarters,” found that “[t]he Department [of State] is substantially not in compliance with the DCIDs [Director of Central Intelligence Directives] that govern the handling of SCI.”

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In response to the IG report in the Annex to the Intelligence Authorization Act for Fiscal Year 2000, the Congressional intelligence committees required (1) a report from the DCI evaluating the State Department's compliance with all DCIDs related to the protection of Sensitive Compartmented Information, (2) a State Department report on specific plans for enhancing the security of classified information within the State Department, and (3) full implementation, as appropriate, of the recommendations found within the IG's report.

The February 2000 DCI report noted that an independent review by the CIA and the Community Management Staff confirmed that the State Department was not in compliance with applicable DCID requirements. The report concluded that certain additional steps were required to "improve security practices in Department offices where SCI is handled and discussed, as well as to strengthen SCI document control and accountability." In its report the State Department identified a number of actions or proposed actions it intended to take in response to the IG report.

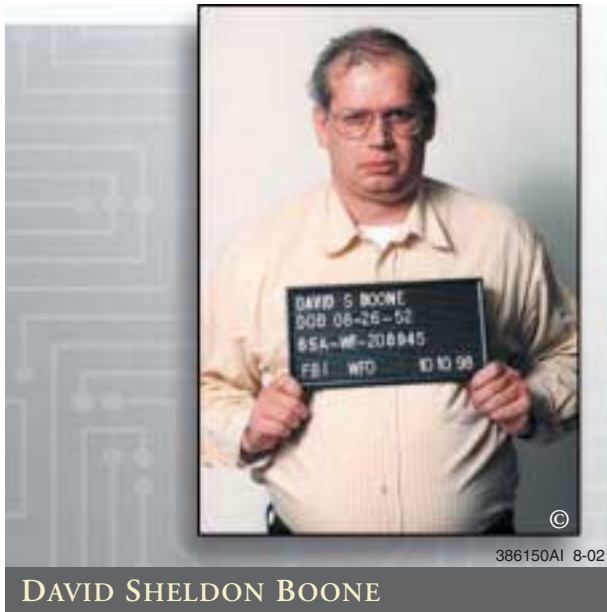
In the wake of the missing laptop computer incident, Secretary of State Madeline Albright declared her intention to transfer positions and responsibility for ensuring the proper security and handling of SCI material from INR to the Bureau of Diplomatic Security (DS). At that time, the Committee expressed its concerns regarding this transfer, including the need to ensure continued DCI oversight over SCI material at the State Department and the requirement that this function should be funded through the National Foreign Intelligence Program (NFIP) budget.

Such oversight and budgetary authority is critical to ensure effective implementation of measures to protect intelligence information at the State Department. In the fall of 2000, the DCI's Community Management Staff and the Department of State agreed to measures designed to ensure continued DCI oversight of the protection of SCI material and continued funding for this function within the NFIP.

In the Intelligence Authorization Act for Fiscal Year 2001, the Committee required the Director of Central Intelligence, in the wake of high-profile security breaches at the State Department, to certify State Department compliance with applicable standards regarding the handling, retention, or storage of SCI material. Elements of the State Department that the DCI does not certify as in compliance, or that do not receive a DCI waiver, would not retain or store SCI information until they are certified as compliant.

In addition, the Committee, in the report accompanying the Intelligence Authorization Act for Fiscal Year 2001, directed the State Department Inspector General to conduct annual reviews of State Department policies and procedures for protecting classified information at the Department for the next five years to determine progress in this area. The Committee took numerous steps to improve the security situation at the State Department and continued to focus this oversight in the future.

## David Sheldon Boone



DAVID SHELDON BOONE

David Sheldon Boone was born on 26 August 1952 in Flint, Michigan. In October 1970, four months after graduating from Mayfield High School in Las Cruces, New Mexico, Boone enlisted in the US Army. He received training in cryptographic analysis and took two Russian language-training courses at the Defense Language Institute. Throughout his military career he served in US Army-related Signals Intelligence (SIGINT) activities. Boone served at the US Army Field Station (USAFS) in Augsburg, Germany, from August 1974 to December 1976, and again from July 1979 to May 1985. After 18 years of service and nearing completion of a three-year assignment to the National Security Agency (NSA) at Ft. Meade, Maryland—from June 1985 until October 1988 where he worked as a senior cryptologic traffic analyst—the US Army selected Boone for a third assignment to USAFS in Augsburg.

At this time, his marriage to his first wife was collapsing, and the couple was having financial problems. In February 1988, Boone took a signature loan for \$2,000 but this did not solve their problems. On 19 October 1988, Boone and his wife entered into a voluntary separation agreement. The agreement provided that Boone's entire US Army pay would go to his wife who would then give

him \$250 monthly—Boone had no other known legitimate sources of significant income. Boone's wife also received custody of both their children.

Boone decided to go unaccompanied to Augsburg for a two-year tour. He stated that neither he nor his wife could manage money. He considered armed robbery as a solution to their money problems and even purchased a shotgun for that purpose, but reconsidered his options. He applied for, but was eventually denied, authorization to leave his family in military family housing on Ft. Meade. Before leaving for Augsburg, he took an advance of three months' pay.

At NSA, Boone was assigned to a unit that analyzed and produced reports on Soviet Fire Support Operations. He also had access to sensitive information about the capabilities and movements of Soviet forces and about Soviet tactical nuclear weapons. Boone's last performance evaluation while assigned to NSA, which he signed on 21 October 1988, rated his overall performance as "fair" and his promotion potential as "marginal." The evaluation noted Boone had a "lack of self-motivation," and that he "lacks attention to detail and tenacity in areas outside of his technical specialty" and "fails to lead by example."

In the wake of the Army's denial to allow his family to remain at Ft. Meade, Boone decided to sell classified information to the Soviet Union. Sometime in September 1988, Boone telephoned the Soviet Embassy on 16<sup>th</sup> Street NW, Washington DC and requested their hours of operation. A few days after the phone call, Boone drove on his motorcycle to the vicinity of the Embassy and then approached and entered the Embassy grounds on foot. He asked the receptionist to see an attaché.

Boone gave his Ft. Meade and Army photo identification badges to an Embassy employee and, after waiting for some time, was interviewed by three or four Soviets. Boone offered to sell classified information and gave them a classified document that he had written on decrypted NSA intercept information—Boone said that he

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first approached the Soviets because, “I needed money. Plus, well, plus I was extremely angry.” He explained his access, his need for money and his pending assignment to Germany. He was given instructions for a follow-on meeting at the Soviet residential complex, \$300, and a disguise consisting of a wig and moustache to use when he returned for the next meeting. After five or six hours in the Embassy, the Soviets put him in an enclosed van and dropped him off some blocks away from the Embassy.

A few weeks later, Boone, following his contact instructions, rode his motorcycle to approximately six to seven blocks away from the Soviet building complex in a residential area of northwest Washington, DC. After parking his motorcycle and wearing his wig and moustache, he walked to the complex and entered it. Boone was led through underground corridors and tunnels and into a room.

The Soviets interviewed Boone for hours during which he provided additional NSA documents that he had selected to demonstrate his access to such information. Boone later stated that to get documents through security and out of the NSA building at Ft. Meade, he would fold up to 15-20 pages of documents and conceal them under the half-liner of his Army windbreaker. The Soviets also debriefed him on NSA’s organization and gave him \$1,500. At the end of the session, the Soviets gave him recontact instructions for Germany. Again the Soviets used the enclosed van to remove him from the complex and returned him to the vicinity of his motorcycle.

In October 1988, Boone reported to his new duty station at Augsburg. He was assigned as the senior enlistee in an Army Technical Control and Analysis Element (TCAE) unit. According to Army publications, the TCAE is responsible for assisting in the technical management and tasking of military SIGINT and Electronic Warfare (EW) systems. TCAE personnel also analyze and report signal intercepts and maintain an extensive technical database to support SIGINT agencies. The TCAE unit at USAFS Augsburg was located within a limited-access Sensitive Compartmented

Information Facility (SCIF). Boone’s duties brought him in regular contact with highly classified and extremely sensitive national defense information.

Shortly after arriving in Germany, Boone met a female German citizen, and in March 1989, he began living with her at her home in Augsburg. Boone disclosed this relationship to Defense Investigate Services (DIS—now Defense Security Service or [DSS])—investigators in June 1990 during his security clearance background investigation.

In June 1990, one of Boone’s supervisors informed DIS investigators that Boone was severely in debt and owed money to creditors, and that Boone’s estranged wife had written to Boone’s commander, claiming Boone was wrongfully retaining from his pay funds that were due to her. Boone acknowledged to the DIS investigators that he owed creditors and told them he had deliberately allowed the debts to accumulate to cause his military pay to be garnished and thus to deprive his wife of the money.

That same month, Boone’s access to classified information was suspended because of his lack of personal and professional responsibility. Boone was reassigned to serve as Sergeant of the guard in a US military hospital at Augsburg, where he remained until his retirement on 1 June 1991.

After retiring from the US Army, Boone continued to reside in Germany. Beginning in September 1991, Boone was employed as a sales engineer, a product support employee, and a support account manager for three successive German computer companies. His divorce from his first wife was final in December 1991, and in 1994, he married the German woman with whom he had lived since 1989.

In November 1988, he met a KGB/SVRR<sup>1</sup> officer whom he came to know as “Igor.” During their first meeting, Boone gave Igor classified documents, and Igor gave Boone \$4,000 and a communications plan that included an emergency meeting site and signal sites.

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Boone stated that between late 1988 and the time he retired from the US Army in 1991, he met with Igor approximately four times a year at various locations along the Rhine River. At each meeting, Boone gave Igor classified documents he had obtained since the previous meeting. Igor gave Boone money for the documents Boone had previously passed and they would schedule their next meeting. Boone said that he received \$5,000 to \$7,000 at each meeting, he once received a \$5,000 bonus, and that these payments amounted to \$20,000 to \$22,000 a year, for a total of more than \$60,000 for the period he worked for the KGB/SVRR.

Boone did not deposit the money in a bank, explaining, “It’s called a paper trail. Don’t leave something for anyone to track. It’s called, it’s called, uh, paranoia.” Boone said he used the cash for normal living expenses. He explained that his separation agreement required him to give his entire pay check to his estranged wife who was to supposed to then give Boone \$500 a month for living expenses—the actual figure was \$250 a month but Boone exaggerated the amount during his retelling of the story. His wife never actually sent him any money.

Boone said on one occasion that he left documents in a “drop,” following instructions Igor gave him. Boone described the drop procedure as follows:

*I know from my training and experience that a “drop” or “dead drop” is a prearranged location where a foreign agent and intelligence officer may use impersonal, clandestine means of communication to exchange tangible objections. For example, an agent may pass classified documents to his handling officer by placing them in a trash bag and secreting the bag in a log or pipe; later, the handling officer can retrieve the bag without having had personal contact with the agent. Such a technique can reduce the chance that illegal clandestine activity will be detected.*

Boone said that during the three years he worked for the KGB/SVRR he chose classified US

Government documents to give to the KGB/SVRR based on three factors:

- Their value to the KGB/SVRR.
- The amount of detailed information they contained.
- The variety of information they represented.

Boone said that Igor would task him for documents he knew Boone had access to or for documents that were referenced in documents the KGB/SVRR had previously obtained. On one occasion, Igor told Boone that the KGB/SVRR had access to the United States Signals Directive (USSID) entitled Zero, which was an index of all other USSIDs, and from this index, Igor asked Boone to obtain specific USSIDs. USSIDs are classified NSA publications for use in providing SIGINT support to the US military.

Boone gave Igor a photocopy of a NSA document entitled “United States Signals Intelligence Directive (USSID) 514, dated 6 May 1988. Boone said that this USSID was unusual because it was one of the few USSIDs to be classified Top Secret rather than Secret. Boone added that USSID 514 was not widely disseminated but that one copy had been at USAFS Augsburg. Boone said he particularly recalled this document because of its “frightening” topic, which he described as “tasking the targeting of US nuclear weapons against Soviet targets.” Boone provided USSID 514 to the KGB/SVRR because it would furnish the Soviets with information regarding US intentions concerning the potential use of nuclear weapons.

The FBI/US Army Intelligence and Security Command (INSCOM) investigation determined that one copy of USSID 514, dated 6 May 1988, was distributed to USAFS Augsburg. Each page of USSID 514 is marked as classified Top Secret and Not Releasable to Foreign Nationals.

In 1989, he gave Igor an original manual, which Boone said was entitled Joint Tactical Exploitation and was probably produced in 1988. Boone explained that although this document was strictly controlled, Boone had access to two numbered originals at USAFS Augsburg and believed one

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would not be missed. Boone said the document was classified Top Secret UMBRA, and described the document as 300 to 400 three-holed-punched pages long.

Boone told Igor that he thought this document was “especially valuable” and asked Igor for an increased payment for it. At the next meeting, Igor gave him a \$5,000 bonus. Boone said that, based upon his having provided this document, a reserve fund was set up for him in a Soviet bank, where additional funds were deposited.

The FBI/INSCOM investigation ascertained that in 1988 a limited quantity of a manual entitled Joint-Service Tactical Exploitation of National Systems (J-TENS) had been distributed to military facilities, including two numbered originals to USAFS Augsburg. The J-TENS consists of approximately 300 double-sided pages and is three-hole punched. Each page is marked Top Secret UMBRA, No Foreign Dissemination, and bears other SCI access-restriction markings. The J-TENS is the handbook of US reconnaissance programs and collection systems. It is for use by US military units in obtaining critical time-sensitive information to support tactical military operations. The J-TENS contains the statement: “Disclosure of this information to unauthorized persons would gravely damage the national security of the United States.”

Boone said that when he lost his access to classified information and was arranging to retire, his cooperation with the KGB/SVRR ended. At that time, Boone informed Igor that “I would be willing to help,” although Boone did not specify any particular things that he could do.

In 1994, the FBI began an investigation of an Unknown Subject (UNSUB) espionage allegation. By 1997, the FBI, US Army, and NSA had identified Boone as the primary suspect in the case. Prior to the initial contact between an FBI operational asset and Boone, the three agencies conducted a detailed investigation into Boone’s alleged espionage.

On 5 September 1998, the FBI asset had a telephone conversation with Boone. The asset indicated to Boone that he (the asset) was associated with the KGB/SVRR and wanted to meet with Boone to discuss some proposals that Boone had previously made, to discuss the status of Boone’s reserve account, and to get Boone’s expert opinion on another matter. Boone replied, “Where and when?” The asset suggested a meeting in London, England, the following weekend, and Boone agreed to do so. The asset instructed Boone to check into a hotel in London on 11 September 1998 and await the asset’s call the following morning.

Boone traveled to London on 11 September, checking his luggage at the airport, and carrying a black canvas bag that appeared to be a laptop computer case; the luggage and computer case were with Boone when he checked into the hotel in London.

On the morning of 12 September 1998, the asset telephoned Boone at the hotel and instructed him to come to a second hotel. There, Boone met the asset for approximately four hours and forty-five minutes. The asset specifically identified himself to Boone as a KGB/SVRR officer, explaining that Boone’s previous contact with the KGB/SVRR officer (Igor) had retired and was no longer available but that the asset had reviewed Boone’s KGB/SVRR file and had been tasked to recontact Boone. Boone’s response was, “I’m at your disposal.” Boone then freely provided the asset with specific details of how and why he volunteered to the Soviets and his contacts with them.

At the end of their meeting, Boone agreed to meet with the asset again on the following day to go over additional questions and to affirm future plans. Boone also agreed to prepare a written proposal of the information and assistance he felt he could provide to the KGB/SVRR in the future.

On 13 September 1998, Boone met with the asset at the second hotel for approximately one hour and forty-five minutes. Boone brought with him his luggage and the black canvas laptop computer case.



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During this meeting, Boone provided more detailed information about having obtained classified materials for the KGB/SVRR during the period 1988-1991. Boone also brought and gave to the asset a handwritten page on which he had noted how he could provide information to the KGB/SVRR in the future.

Boone asked the asset if their business arrangement would be on a part-time or full-time basis. Boone suggested that if the KGB/SVRR had in mind a full-time position for him, he would be willing to move with his wife back to the United States to live. Boone suggested that he could set up a business at home as a cover for him to travel to various locations and to meet different people on behalf of the KGB/SVRR, if needed. Boone told the asset that he thought it might be cheaper this way. Boone included this suggestion on the proposal page that he gave to the asset.

At the end of this meeting, Boone accepted \$9,000 in prerecorded United States currency from the asset. Boone also agreed to travel to the United States on 2 October 1998 to meet again with the asset. Boone agreed to fly to Dulles International Airport, check into the Washington Dulles Airport Marriott Hotel located at the airport, meet with the asset the next day, and fly back to Germany on 4 October 1998.

While planning the 2 October 1998 meeting, Boone took a laptop computer out of the black canvas bag and logged on to check his schedule. The asset asked, "You have your computer here?" Boone replied, "I always take it with me." Boone entered the agreed-upon travel and meeting dates into his computer. When the asset sought to confirm that Boone had the asset's telephone number, Boone referred to the computer and stated that he had previously entered the number incorrectly; Boone corrected the number and told the asset, "Just so you know, you're listed as Georgi Bucharich (phonetic transcription) from Intertrust in London." This is neither the asset's name nor his affiliation, and the asset had not provided that name or affiliation to Boone.

Boone then left the asset and took a taxi to the airport. At the airport, Boone checked his luggage and carried the black canvas laptop computer case on board.

On 18 September 1998, Boone left a voice mail message at the telephone number provided by the asset. Boone advised that "the 2<sup>nd</sup> to the 4<sup>th</sup> might be difficult" for "the seminar," and that the "9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup>" would be preferable. Boone asked the asset to call him.

On 21 September 1998, the asset telephoned Boone, and they agreed that Boone would travel to Dulles on 9 October 1998 and check into the "hotel that we discussed," where the asset would call Boone at 9:00 am on 10 October 1998.

On 9 October 1998 Boone flew nonstop from Munich, Germany, to Dulles International Airport. FBI personnel observed Boone leave the airport with his luggage and a black canvas computer case similar to the one he carried to London for his meetings in September 1998 with the asset.

In their previous meeting, the asset instructed Boone to check into the Washington Dulles Airport Marriott Hotel upon arrival where Room 1431 had been reserved for him. The next day, Boone proceeded to another room in the hotel where he expected to meet the asset. Instead, an FBI Special Agent opened the door. The Special Agent identified herself and asked Boone to step inside. Boone was asked about his relationship with the asset, and he concocted a story about meeting him in the bar of the Hotel Russell in London in either August or September 1998. He added that they had agreed to meet in the future to discuss possible business deals. Boone agreed to summarize this information in a signed statement, which he did and handed it to the FBI Special Agent.

At that time, the Special Agent told Boone that she and the other Special Agent in the room were aware of the true reason Boone had come to meet with the asset and about his past relationship with the Russian Intelligence Service during 1988-1991. After hearing this, Boone asked, "Where do we go

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from here?” It was explained to Boone that at the conclusion of the interview, he would be arrested. Boone then told his story to the Special Agents. At the conclusion of his story, Boone began writing a signed statement regarding his association with the Russian Intelligence Service. He was then arrested.

At his arraignment on 9 November 1998, Boone waived his right to a speedy trial on charges that he spied for the Soviet Union. On 18 December 1998, Boone pleaded guilty to conspiracy to commit espionage for the former Soviet KGB. In his guilty plea, Boone acknowledged that during 1988-1991 he delivered “highly classified documents” to agents of the KGB, the intelligence agency of the former Soviet Union.

On 26 February 1999, Boone was sentenced to 24 years and four months in prison. He agreed to forfeit \$52,000, including his retirement, and a hand-held scanner he used to copy documents.

The arrest of Boone was not without some political fallout. The Germans were upset that the FBI had “lured computer expert Boone to Washington and arrested him there, while deliberately circumventing German counterintelligence.” Willfried Penner (Social Democratic Party of Germany), chairman of the Bundestag’s Parliamentary Control Commission (known as the PKK) called the FBI operation “improper.” The German press also reported, “the annoyed Federal Office of Criminal Investigations [BKA] is currently investigating the scope of the espionage case.” The press further stated, “investigators searched Boone’s apartment and questioned his German wife. The FBI has already discreetly checked potential contact addresses in Bad Aibling and Bad Toelz, where US special units were stationed in the past.”<sup>2</sup> No further German media reporting appeared regarding the Boone case after November 1999.

## Endnotes

<sup>1</sup> With the downfall of the Soviet Union in September 1991, the KGB was dismantled. The KGB’s First Chief Directorate, which was responsible for foreign intelligence operations, was renamed the SVRR—the Russian Federation foreign intelligence service, *Sluzhba Vneshney Razvedki Rossii*.

<sup>2</sup> *Munich Focus*, 2 November 1999, ‘Massive Ill Feeling’ Between FRG, US Counterintelligence.

## Daniel King Case



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DANIEL KING

Navy Petty Officer First Class Daniel King was apprehended on 28 October 1999 for passing data to the Russians—Article 92 of the Uniform Code of Military Justice—and espionage, which is Article 106 (a) of the Uniform Code of Military Justice. Navy spokesman Greg Smith said King, who has 18 years of service in the US Navy, was working with information gathered by American submarines lurking off the Russian coast when he allegedly sent secrets to the Russian Embassy in Washington in 1994. King was 40 years old at the time of his apprehension and is a native of Elyria, Ohio.

King was assigned to the Navy's intelligence operation in nearby Fort Meade, Maryland, at the time of his arrest. Navy officials said King's alleged disclosure was serious but not as damaging as earlier betrayals by Navy Warrant Officer John Walker, who sold Russia critical Navy secrets and codes, or of Jonathan Pollard who handed suitcases full of US secrets to Israel.

A Navy official said King was promoted several times in his first seven years of service, but had been stuck at his current rank for eleven years. The official stated Mr. King's alleged crime may have been motivated by the perceived injustice of his stalled career.

Officials say the charges were filed after King failed a lie detector test he underwent as part of the routine process to renew his clearance to work

with highly secret materials. He was being held in pretrial confinement at the brig in Quantico, Virginia. According to the Navy spokesman, King admitted that he passed classified information about the US Navy submarine fleet on a computer disk to the Russian Embassy in 1994. He is also alleged to have discussed classified information with two women who had security clearances but were not cleared to receive information about the specific programs that he allegedly discussed.

According to the Associated Press, on 8 February 2000, the US Navy offered to drop espionage charges against King; however, King's attorney rejected the offer, saying that it contained details unfavorable to his client. According to one source, the Navy wanted to cut its losses and gain King's cooperation to determine the extent of damage to national security rather than risk losing at trial.

The offer to drop charges came after months of setbacks to the Navy's case that included defense accusations of security violations by the prosecutors and the investigating officer and a military appeals court twice ruling in the defense's favor, once ordering that prosecutors restart the case.

In October 2000, the Navy-Marine Court of Appeals chastised Navy prosecutors for delaying the proceeding for months by requiring that a monitoring agent be present at all meetings between King and his attorneys. The court deemed the Navy's actions unconstitutional and overturned the requirement.

In November, prosecutors lost a major witness when it was determined that he had been assigned to listen to private conversations between King and his attorneys for discussion of classified material. Then, in December, the court ruled in King's favor, ordering the prosecutors to restart the hearing after it found that the prosecutors and the presiding officer violated King's right to a public trial.

On 9 March 2001, the US Navy dropped all espionage charges against King. The officer overseeing the Navy's prosecution stated in a letter that, because of King's mental state during

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questioning and the lack of corroborating evidence, he doubted the validity of King's confession. Another Navy source said the Navy was forced to drop espionage charges and two lesser charges because of the difficulty in protecting national security while upholding King's right to a public trial. King was released from custody in Quantico, Virginia, that same day.

After the dismissal of the case, Committee Chairman Richard C. Shelby (R-Ala.) denounced the Navy for a "bungled, botched" investigation and prosecution. Senator Shelby specifically criticized the prosecutor for mishandling the case and called for a hearing.

In unclassified testimony before the Senate Select Committee on Intelligence, the defense presented the facts of the case, including abuses by the Navy in its interrogations of King. These abuses included 20-hour interrogation sessions for 29 days, violations of federal rules on the use of polygraphs, and the denial of counsel to suspects. In addition, the defense disclosed a series of demonstrably false statements made to the media and Congress by the Navy in the aftermath of the case:

The Navy's Statement: "*[W]hen a Sailor with access to the U.S. Navy's most sensitive programs repeatedly states that he betrayed the Navy's most crucial secrets, the Navy has an obligation to investigate.*"

The Truth: This widely disseminated statement is coupled with other suggestions that King admitted to espionage and compelled further inquiry. The record shows that it was not until eight days into the espionage investigation and after over 19 hours of interrogation that King signed any statement on espionage. The NCIS [Naval Criminal Investigative Service] began this investigation after a 'no opinion' result on a polygraph examination. It was the NCIS, not King, that probed fantasies of espionage and continued to interrogate exclusively on the subject of espionage. The NCIS should have simply given this sailor another polygraph after a common 'no opinion' result before triggering a full-fledge espionage investigation. The obvious misleading intent behind this statement is to suggest that Petty Officer King confessed immediately to such acts—a statement refuted on the record of signed statements, the audio tapes and other evidence in this case.

The Navy's Statement: "*[T]he navy could not responsibly have chosen to simply ignore King's inability to pass his polygraph and subsequent incriminating statements.*"

The Truth: This statement was also part of the public release by the Navy after the dismissal of the case. As noted above, the statement does not mention that King did not fail his polygraph and did not make incriminating statements in triggering any investigation. King had a 'no opinion' result on a polygraph and repeatedly denied any espionage. Both military detailed counsels in this case had 'no opinion' results on their polygraph examinations and NCIS agents admitted that everyone in this field has a fantasy of espionage at some time in their career.

The Navy's Statement: "*Petty Officer King also said he considered going to Russia to hurt the Navy by revealing sensitive information.*"

The Truth: This statement was also part of the public release by the Navy after the dismissal of the case. This statement is also knowingly misleading and false. During the interrogations, King admitted that he had been angry with the Navy at points in his 20-year intelligence career and that he had fantasized of being a spy. However, in the first three statements that he signed, King expressly stated that he never engaged in such acts and they were just passing flights of fancy. The Navy never mentions in its statement that this reference comes from what NCIS agents refer to as fantasies on the audio tapes. The Navy never mentions that King repeatedly emphasized that these were merely fantasies or that he expressly denied engaging in such conduct.

The Navy's Statement: "*Petty Officer King also said . . . that he had committed serious security violations.*"

The Truth: This statement is also part of the public releases by the Navy. The Navy brought two charges for national security violations distinct from the espionage charge. Judge Winthrop summarily dismissed both of these charges as minor allegations that, even if true, should not have been submitted for prosecution. Judge Winthrop wrote: 'Although the evidence may surmount the low threshold of an Article 32 investigation, and that is by no means certain, I don't believe the government evidence on any of the charges in this case is strong. On the other hand, the defense evidence in extenuation and mitigation is significant.'

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The wrongful disclosure allegations, and the related charges involving dereliction of duty and wrongful communication, are exemplary in this regard. The alleged violations occurred while the accused was on duty in a Sensitive Compartmented Information Facility (SCIF) in the presence of fellow service members with high level clearances. Each allegation is based on the recollection of one witness of events that occurred six and four years ago, respectively. Thus, on the merits, the government has one witness who will be required to rely on memory for events that occurred several years ago. With respect to extenuating and mitigating circumstances, it must be emphasized that the alleged disclosures occurred in secure areas to personnel that otherwise had high level clearances, but not access to the specific program in question. Thus, the threat to national security from these alleged violations was minimal. Furthermore, one witness did not take the disclosure seriously, while the other witness considered the information helpful in performing her job. It appears in both cases that the accused was disclosing the information to assist others in performing their duties. These facts constitute strong extenuating and mitigating evidence.

The Navy brought no other charges of national security violations. Ironically, the defense has detailed over three dozen proven violations of national security rules in this case by Navy and NCIS officials, including the identical violations made against King. Some of these unauthorized disclosures occurred in unsecured locations, like hotel rooms, and involved entirely uncleared individuals.

*The Navy’s Statement: “King failed multiple additional polygraph examinations, all of which were conducted in accordance with strict Department of Defense guidelines.”*

The Truth: At no point in the numerous statements issued by the Navy or the NCIS is there an admission that King did not fail his first polygraph examination but had a common ‘no opinion’ result. He continued to have such results on the second and third days of interrogation. The suggestion that these polygraphs met professional standards is laughable.

First, the NCIS agents never inquired about King’s use of various drugs, some of which were seized in his room. King was openly taking over-the-counter drugs for weightlifting and weight-loss as well as drugs for medical conditions. These drugs can heighten responses and produce exaggerated responses to stressful questions.

Second, the NCIS continued to interrogate King for weeks while calling him a spy. He would be moved from highly prejudicial and stressful interrogations into these tests. The audio tapes in this case show King weeping and sobbing. He asks to go to sleep but is told to continue with the

interrogations. The agents lied to King and stated that he had failed polygraph examinations where he actually produced a “no opinion” result. In polygraph examinations, such lies undermine the results. By telling someone falsely that they failed, you guarantee that the person will elevate on the questions in anticipation on later examinations.

Third, from the first day, the agents forced King to repeatedly repeat prior fantasies and dreams of espionage. The agents repeatedly had King write down the fantasies and sign them as statements. King is heard on these tapes having an increasing difficulty in distinguishing fantasy from reality. Deposed agents admitted that he appeared to be struggling with what was real and what was dream during the interrogations. DoD regulations expressly forbid specific acts in the King case, which can be found in the last section of Professor Turley’s unclassified testimony.

*The Navy’s Statement: “The interviews were reasonable, relaxed, and many were at the request of King.”*

The Truth: This is also from the public statement of the Navy. This statement is knowingly false. The audio tapes in this case show King weeping and sobbing. During 19-hour interrogations, King asked to go to sleep but is told to continue. The NCIS continues interrogations for 29 days. At times, King is shouting, ‘I don’t know what I’m supposed to give you’ over and over at the agents as they press him for a signed confession. Moreover, it is noteworthy that King seeks the assistance of a psychologist for hypnosis on the videotaped interview with NCIS psychologist Dr. Michael Gelles. After his return to the United States, King was clearly trying to find a way to distinguish fantasy from reality. He told Gelles that he had no memory of the espionage facts but says that the polygraph examinations prove that he must have done something—a clear misconception that neither Gelles nor the agents correct.

*The Navy’s Statement: “King never told NCIS he wanted a lawyer, and he never asked for a lawyer.”*

The Truth: This is also part of the official statement released by the Navy and the NCIS. It is knowingly and demonstrably false. King asked for an attorney on October 5, 1999. Documents in the case establish at least two additional invocations of his right to counsel. On October 8, 1999, King signs a waiver of his right to remain silent but specifically invokes his right to counsel. King initials his statement that ‘I do wish to have my lawyer present during the polygraph examination.’ In a later waiver form, King again clearly asks for an attorney and again signed a statement (and initials an invocation), stating “I do desire to have my lawyer present during the polygraph examination.”

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No lawyer was ever produced by the NCIS, which continued to do polygraph examinations with long interrogations before and after the tests. Under *Edwards v. Arizona*, 451 U.S. 477 (1981), an attorney should have been supplied to King and interrogations suspended immediately when he asked for a lawyer on October 5, 1999. After the Navy and the NCIS issued these false statements, the defense released the documents showing invocations of counsel. The response of the Navy was that these were merely ‘typographical errors’ despite the fact that King both signed the form and initialed the specific language added on the invocation.

Previously, however, in defense of its conduct in the case, the Navy has repeatedly emphasized that ‘King reviewed each statement, made the changes that he wanted to make, and signed each statement . . . He swore to the voluntariness and truthfulness of each statement.’ Vernon Loeb & Walter Pincus, “Pentagon Probes Spy Case Navy Dropped Against Sailor,” *The Washington Post*, March 29, 2001 (statement of LCDR Cate Mueller, spokesperson for the United States Navy).

*The Navy’s Statement: “The Naval Criminal Investigative Service did not have further contact with King after he was ordered into pretrial confinement on October 28, 1999.”*

The Truth: This was also part of the public statement of the Navy and the NCIS. This statement was part of the argument that King was not in custody until he was placed in the brig. King was under 24-hour guard and moved from safe house to safe house in Guam. He was told that he would be shot if he attempted to escape. He was required to shower and go to the bathroom in the view of agents. However, putting aside the obvious elements of custody, neither the Navy nor the NCIS has ever revealed that military courts rejected this argument.

The Navy-Marine Court of Criminal Appeals twice stated that King was in custody starting October 2, 1999, when he was placed in the first safe house. The Navy did not contest this finding in an appeal to the Court of Appeals for the Armed Forces. Yet, after appellate courts have already decided this issue, the Navy and the NCIS continue to release false information to attempt to mitigate their misconduct in the case.

What is equally disturbing is that even the affirmative statement regarding the cessation of NCIS interrogations or further contact is false. The defense has sign-in sheets from the Quantico brig showing that, after King was placed in the brig, interrogations continued. The log shows NCIS agent Kenny Rogers signing in for an interrogation of King on October 31, 1999, three days after he was placed in the brig. This interrogation was particularly outrageous

because prosecutors with the assistance of the NCIS conducted it without defense counsel.

*The Navy’s Statement: “There was corroborating evidence in this case of espionage.”*

The Truth: As noted earlier, there was a torrent of leaks and false statements given to the media in this case. All these facts were attributed to specific spokespersons or confidential sources ‘close to the investigation.’ In March, the defense was asked to respond to a statement made by CDR Mark E. Newcomb. With the case still pending, CDR Newcomb told CBS *Sixty Minutes* that there was actually an abundance of corroborating evidence of espionage in the case.

The defense immediately wrote to CDR Newcomb on March 8, 2001 and demanded an explanation. Since no such evidence had been presented in the proceedings, the statement was either false or the government was again withholding evidence. CDR Newcomb wrote back to state that all possible corroborating evidence had been disclosed to the defense and the military judge. No corroborating evidence was being withheld. The only piece of evidence that the Navy could even offer as corroborating was a log that would be rejected in any court as corroborating evidence in this case.

Yet, Judge Winthrop was extremely critical of the absence of corroborating evidence in the case and stated that such evidence did not seem to even meet the standard of “slight” evidence of corroboration. Judge Winthrop stated that, even if King’s statement was found to be voluntary, “I question whether the mere existence of the daily log provides independent evidence of an ‘essential fact’ of the confession, i.e., the act of espionage.” In fact, the classified evidence in this case contains a great deal of exculpatory evidence including the audio tapes and investigative reports that find no evidence that King’s account actually occurred.

## Stanislav Gusev



386152AI 8-02

STANISLAV GUSEV

On 8 December 1999, the FBI detained Russian intelligence officer, Stanislav Gusev, as he was recording transmissions from a bug implanted in a piece of chair rail, in a conference room within the Department of State headquarters building. Gusev's detention capped a six-month investigation that began when the FBI spotted the Russian intelligence officer loitering near the State Department.

Following surveillance and observation of Gusev, technical countermeasures discovered the remotely activated device in the conference room. Gusev was declared persona non grata and was required to leave the United States.

The FBI and State Department continue to investigate who was responsible for planting the bug and what sensitive materials discussed in the conference room may have been compromised. Recreating the extent to which Russian intelligence or other personnel may have had access to the room in question has been complicated by the fact that, from 1992 until August 1999, there were no escort requirements for Russian (or other foreign) visitors to the State Department.

## George Trofimoff



386153AI 8-02

GEORGE TROFIMOFF

George Trofimoff, a.k.a. George Von Trofimoff, "Antey," "Markiz," and "Konsol," was born in Germany to Russian émigrés and became a naturalized US citizen in 1951. He enlisted in the US Army in 1948 and received a commission in the US Army Reserve in 1953. He was honorably discharged from active duty in 1956 and retired from the US Army Reserves with the rank of colonel in 1987. From 1959 through 1994, Trofimoff was employed by the US Army as a civilian working in military intelligence—primarily in Germany.

From 1969 to 1994, Trofimoff was the Chief of the US Army Element at the Nuernberg Joint Interrogation Center (JIC). As the chief, he had access to all of JIC's classified information. Among the classified documents related to US national defense that were maintained at the Nuernberg JIC were:

- Intelligence objectives listing current intelligence information required by the United States.
- Intelligence priorities for strategic planning that identified and ranked the current intelligence needs of the US military.
- Soviet and Warsaw Pact order-of-battle documents detailing the United States' current knowledge of Soviet and Warsaw Pact military organizations and capabilities.

- Collection Support Briefs on specific topics, such as the current chemical and biological warfare threat posed by the Soviet Union and the Warsaw Pact allies and others.
- Intelligence Information Reports that responded to identified intelligence collection requirements obtained from various sources, including interviews of refugees and defectors.

As a child in Germany, Trofimoff was raised with Igor Vladimirovich Susemihl, a.k.a. “Zusemihl” and “Iriney,” who was also the son of Russian émigrés. Trofimoff considered Susemihl to be his brother. Beginning in the 1960s, Trofimoff and Susemihl met often and maintained a close personal relationship.

Susemihl was a priest of the Russian Orthodox Church who served as Archbishop of Vienna and Austria and Temporary Archbishop of Baden and Bavaria. He later served as Metropolitan of Vienna and Austria and resided in the vicinity of Munich, Germany, until his death in 1999.

In 1969, after Trofimoff became the chief of the US Army Element at the Nuernberg JIC, Susemihl recruited him for the KGB. The KGB and later the SVRR—the successor to the KGB—assigned Trofimoff the codenames “Antey,” “Markiz,” and “Konsol.” They also assigned the codename “Ikar” to Susemihl.

From at least 1969 to about spring 1995, Trofimoff:

- Secretly took classified documents relating to the national defense from the Nuernberg JIC and passed them to the KGB.
- Secretly photographed US documents relating to the national defense.
- Purchased a Minox camera at the KGB’s direction but gave it to the KGB through Susemihl because “it was too dangerous to have.”
- Stored boxes of exposed film in his home until he could deliver them to Susemihl or to KGB officers.

- Traveled to Bad Ischi, Hallein, Zell am See, and near St. Johann—all in Austria—to meet with KGB officers. The KGB officers he met have been identified as Anatoliy Tikhonovich Kireyev, Victor Alesandrovich Chernyshev, and Yuriy Vasilyevich Lysov.
- Received from Susemihl and KGB officers cash payments and bonuses totaling approximately 90,000 deutsch marks.
- Used an oral recognition signal—called a parole—when he met with a KGB officer.

For his work on behalf of the KGB, Trofimoff received the Order of the Red Banner, which is the oldest Soviet award. It is presented to Soviet citizens and noncitizens for special bravery, self-sacrifice, and courage displayed in the defense of the Soviet homeland, including special bravery and courage displayed in accomplishing special assignments and in supporting the state security of the Soviet Union. Despite the awards, Trofimoff allegedly thought he still was owed money by the Russians.

In 1994, the German authorities arrested Trofimoff and Susemihl, but the case was dropped because of German concerns about the statute of limitations law in that country. In 1995, Trofimoff retired from the military after serving 35 years and moved to Brevard County in Florida where he bought a home in a gated community. Because there is no statute of limitations against espionage in the United States, the FBI took up the case.

After a seven-year investigation, the FBI conducted a sting operation against Trofimoff and secretly recorded the meetings. An FBI agent posing as a Russian intelligence officer contacted Trofimoff and offered to pay him the rest of what he was owed. During a series of meetings between Trofimoff and the undercover FBI agent at a hotel in Melbourne, Florida, Trofimoff described his spying activities in detail. On 14 June 2000, when Trofimoff appeared at the West Shore Hilton in Tampa, the FBI arrested him.

Trofimoff’s trial began on 6 June 2001. One of the



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most damaging witnesses against Trofimoff was a British intelligence officer who provided testimony on information received from Vasili Mitrokhin, a Russian intelligence officer who defected in 1992. Mitrokhin smuggled information he had copied from KGB files out of KGB headquarters and hid it. After Mitrokhin defected, he gave his notes to British intelligence.

Testifying under the name of John Doe, the British intelligence officer acknowledged that Trofimoff's name was not in any of the KGB notes obtained from Mitrokhin but that the information concerning a US intelligence officer who became an "extremely valuable agent" for the KGB matched that of Trofimoff. The notes described a US military intelligence officer in the same unit where Trofimoff served who was recruited with the help of a Russian Orthodox Church priest. The spy, who was identified only by the codenames "Markiz," "Konsul," and "Antey," provided documents that were disseminated to top Soviet leaders, including former KGB chairman Yuri Andropov.

According to the British intelligence officer, the KGB kept count of the thousands of documents provided to them, noting titles of some highly sensitive reports detailing what the United States knew and didn't know about Soviet military capabilities. Mitrokhin's notes identified the spy as the leader in the 66th Military Intelligence Group—the unit where Trofimoff spent his career as an Army civilian employee.

The notes also showed that the spy's codename changed periodically, but the new codenames were accompanied by a description that didn't change. Markiz, Konsul, and Antey all were described as members of the 66th Military Intelligence Group and associated with another spy with the codename Ikar.

Mitrokhin's notes also identified Ikar as a Russian Orthodox priest who lived in Vienna and often traveled to East Germany and Moscow, where he could easily deliver information to the KGB. A KGB officer using the cover of a diplomat at the Soviet embassy in Vienna managed the two spies.

In late June 2001, Trofimoff was found guilty of espionage. On 27 September 2001, U. S. District Judge Susan Bucklew sentenced Trofimoff to life in prison.

## **George Trofimoff Affidavit**

### **UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION**

**CASE NO. 8:00-CR-197-T-24C**

**UNITED STATES OF AMERICA  
V.  
GEORGE TROFIMOFF,  
a/k/a George Von Trofimoff,  
a/k/a "Antey," a/k/a "Markiz," a/k/a  
"Konsul"**

#### **INDICTMENT**

The Grand Jury charges:  
COUNT ONE

#### **A. INTRODUCTION**

At all times relevant to this indictment:

1. The defendant, GEORGE TROFIMOFF, a/k/a George Von Trofimoff, a/k/a "Antey," a/k/a "Markiz," a/k/a "Konsul," was born in Germany to Russian émigrés, and became a naturalized United States citizen in 1951. He enlisted in the United States Army in 1948 and received a commission in the United States Army Reserve in 1953. He was honorably discharged from active duty in the United States Army in 1956, and retired from the United States Army Reserve with the rank of Colonel in 1987. From 1959 through 1994, TROFIMOFF was employed by the United States Army as a civilian working in military intelligence, serving primarily in Germany.
2. Pursuant to Executive Order 12958 and its preceding Orders, information, the unauthorized disclosure of which could reasonably be expected to cause "damage to national security," must be classified as CONFIDENTIAL and properly safeguarded. Information, the unauthorized disclosure of which reasonably could be expected to cause "serious damage to the national security,"

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- must be classified as SECRET and properly safeguarded. Information, the unauthorized disclosure of which could reasonably be expected to cause “exceptionally grave damage to the national security,” must be classified as TOP SECRET and properly safeguarded.
3. Throughout his career with the United States Army, TROFIMOFF held SECRET and TOP SECRET clearances, and received periodic briefings and acknowledged his responsibilities in handling classified information.
  4. The United States, the Federal Republic of Germany, Great Britain, and others were member nations of the North Atlantic Treaty Organization (NATO), which provided for a common defense against the threat of military aggression.
  5. Until in or around 1991, the principal military threat to the NATO countries was from the Union of Soviet Socialist Republics (Soviet Union) and its Warsaw Treaty organization (Warsaw Pact) allies, which included German Democratic Republic (East Germany), the Polish People’s Republic, the People’s Republic of Hungary, the Czechoslovak Socialist Republic, and the People’s Republic of Bulgaria.
  6. Since in or around 1991, NATO has guarded against potential threats from former republics of the Soviet Union, including the Russian Federation, and their allies.
  7. As a member of NATO the United States had a military intelligence presence in Western Europe, including the 66th Military Intelligence Group (MIG).
  8. A mission of the 66th MIG was to work together with the military intelligence services of other countries in collecting intelligence about Warsaw Pact countries. One source of this intelligence was interviews of refugees and defectors from Warsaw Pact countries. Some such interviews were conducted by military intelligence personnel assigned to Joint Interrogation Centers (JIC).
  9. A JIC at Nuernberg in the Federal Republic of Germany was staffed by United States Army personnel as well as other United States, German, British, and French military personnel. From 1969 to 1994, the defendant GEORGE TROFIMOFF was the Chief of the United States Army Element at the Nuernberg JIC,
  10. The United States Army Element at the Nuernberg JIC received classified information, including documents produced by members of the United States intelligence community such as the Defense Intelligence Agency.
  11. As Chief of the United States Army Element at the Nuernberg JIC, TROFIMOFF had access to all classified information, including documents, received by and produced by the United States Army Element.
  12. Among the classified documents related to the national defense of the United States which were maintained at the Nuernberg JIC were the following:
    - (a) Intelligence Objectives, which listed current intelligence information required by the United States.
    - (b) Intelligence Priorities for Strategic Planning, which identified and ranked the current intelligence needs of the United States military.
    - (c) Soviet and Warsaw Pact Order of Battle documents which detailed the United States’ current state of knowledge of Soviet and Warsaw Pact military organizations and capabilities.
    - (d) Collection Support Briefs on specific topics such as the current chemical and biological warfare threat posed by the Soviet Union and its Warsaw Pact allies and others.
    - (e) Intelligence Information Reports, which were reports of information responsive

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- to identified intelligence collection requirements, obtained from various sources including interviews of refugee and defectors.
13. The Committee for State Security of the Soviet Union (Komitet Gosudarstvennoy Bezopasnosti, referred to as the KGB) was the principal intelligence and counterintelligence service of the Soviet Union and was organized into Chief Directorates, Departments and Services. The KGB viewed the United States as the principal adversary, or main enemy, of the Soviet Union, and as the KGB's primary intelligence target.
  14. Among the KGB's missions was counterintelligence, which was aimed at identifying and counteracting the threat posed to the security of the Soviet Union by hostile intelligence services, such as those of the United States. This mission required the KGB to obtain intelligence information about the state of adversaries' knowledge about the military preparedness of the Soviet Union and its Warsaw Pact allies.
  15. A method by which the KGB obtained intelligence information about its adversaries was to recruit persons having authorized access to such intelligence information to provide it to the KGB, thereby giving the KGB the opportunity to identify, penetrate, and neutralize potential threats to the Soviet Union, and to conduct denial and deception.
  16. The Russian Orthodox Church was an organized religious institution within the Soviet Union and had churches and officials, including clergy, both within the Soviet Union and abroad.
  17. The KGB exploited the Russian Orthodox Church and its officials, including clergy, in furtherance of the missions of the KGB.
  18. Igor Vladimirovich Susemihl, a/k/a Zuzemihl, also called "Iriney," was a priest of the Russian Orthodox church who served as the Archbishop of Vienna and Austria and Temporary Archbishop of Baden and Bavaria, and later served as Metropolitan of Vienna and Austria, and who resided in the vicinity of Munich, Federal Republic of Germany, until his death in 1999.
  19. The defendant GEORGE TROFIMOFF was raised in Germany with Susemihl, who was also the son of Russian émigrés, and TROFIMOFF considered Susemihl to be his "brother." Beginning during the 1960s, TROFIMOFF and Susemihl met often and maintained a close personal relationship.
  20. In or about 1969, after the defendant GEORGE TROFIMOFF became the Chief of the United States Army Element at the Nuernberg JIC, Susemihl recruited him into the service of the KGB.
  21. Within the KGB, the First Chief Directorate (FCD) was primarily responsible for foreign intelligence.
  22. Within the FCD, Directorate K was responsible for the KGB's counterintelligence mission abroad.
  23. KGB officers who had counterintelligence responsibilities often operated abroad from diplomatic missions of the Soviet Union. These intelligence officers worked for Line KR of Directorate K.
  24. The Order of the Red Banner is the oldest Soviet award and was presented to citizens and non-citizens for special bravery, self-sacrifice, and courage displayed in the defense of the socialist homeland, including special bravery and courage displayed in accomplishing special assignments, and special bravery and courage displayed in support of the state security of the Soviet Union.
  25. Since 1992, the Russian Foreign Intelligence Service (Sluzhba Vneshney Rezvedki Rossii, referred to as the SVRR) has been the successor to the KGB as the foreign intelligence service of the Russian Federation.

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## **B. The Agreement**

26. Beginning on or about an unknown date which was at least 1969, and continuing through in or around the spring of 1995, both dates being approximate and inclusive, in the Federal Republic of Germany, the Republic of Austria, and elsewhere outside the jurisdiction of any State or district of the United States, the defendant, GEORGE TROFIMOFF, a/k/a George Von Trofimoff, a/k/a "Antey," a/k/a "Markiz," a/k/a "Konsul," did knowingly and willfully combine, conspire, confederate, and agree with various other persons whose names are both known and unknown to the Grand Jury, to knowingly and willfully communicate, deliver, and transmit and to attempt to communicate, deliver, and transmit directly and indirectly to a foreign government, that is, the Union of Soviet Socialist Republics, and to representatives, officers, agents, and employees thereof, documents, photographs, photographic negatives, and information relating to the national defense of the United States, with intent and reason to believe that the same would be used to the injury of the United States and to the advantage of a foreign nation, in violation of Title 18, United States Code, Section 794(a).

## **C. The Manner and Means of the Conspiracy**

27. It was part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did recruit individuals who had access to classified information relating to the national defense of the United States to obtain such information and transmit it to agents, representatives, officers, and employees of the KGB/SVRR. The persons recruited to conduct such espionage were called "agents-in-place."

28. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did pay money-including regular cash payments, bonuses, and special payments - to their agents-in-

place, including the defendant GEORGE TROFIMOFF, in exchange for classified information relating to the national defense of the United States, including those documents described in Paragraph 12.

29. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did have meetings in the Federal Republic of Germany and the Republic of Austria with their agents-in-place for the purpose of obtaining classified information relating to the national defense of the United States, and in exchange would give these persons monetary payments and instructions for further espionage activities on behalf of the KGB/SVRR.

30. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did provide to their agents-in-place, and cause their agents-in-place to purchase, obtain, and use, equipment, including, but not limited to, photographic equipment and film, for the purpose of furthering their espionage activities on behalf of the KGB/SVRR.

31. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did cause its agents-in-place to secretly carry classified documents relating to the national defense of the United States, away from the locations where they were supposed to be kept, by utilizing briefcases and bags.

32. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did utilize agents and apparently innocent persons to spot, assess, and co-opt targets for recruitment as agents-in-place, and to introduce those persons to agents, representatives, officers, and employees of the KGB/SVRR.

33. It was further part of the conspiracy that officers and agents, representatives, officers,

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and employees of the KGB/SVRR and their agents-in-place, and their agents-in-place, would and did use innocuous explanations for their activities on behalf of the KGB/SVRR.

34. It was further part of the conspiracy that the KGB/SVRR would and did protect its agents-in-place through disinformation and other means.

35. It was further part of the conspiracy that the KGB/SVRR would and did assign to its agents code names which were periodically changed. The KGB/SVRR assigned to the defendant, GEORGE TROFIMOFF, the code names "Antey," "Markiz," and "Konsul," and assigned to Igor Susemihl the code name "Ikar."

36. Aleksandr Vasilyevich Blagov, a/k/a "Vlagov," was a KGB/SVRR officer who operated out of Soviet/Russian diplomatic missions in Europe and maintained contact with Igor Susemihl and others in furtherance of the missions of the KGB/SVRR.

37. It was further part of the conspiracy that agents, representatives, officers, and employees of the KGB/SVRR would and did continue to communicate with their agents-in-place after the agents-in-place had ceased providing intelligence information to the KGB/SVRR, in order to ensure continued loyalty and protection.

38. It was further part of the conspiracy that the defendant, GEORGE TROFIMOFF, and others would and did misrepresent, conceal, and hide, and cause to be misrepresented, concealed, and hidden, the acts done in furtherance of the conspiracy.

#### **D. Overt Acts**

39. In furtherance of and to effect the objects of the conspiracy, the defendant, GEORGE TROFIMOFF, did commit various overt acts, including but not limited to, the following: (Unless otherwise stated, these overt acts each occurred between at least 1969 and December 1994.)

(1) GEORGE TROFIMOFF secretly took classified United States documents relating to the national defense away from the Nuernberg JIC.

(2) GEORGE TROFIMOFF secretly photographed classified United States documents relating to the national defense.

(3) GEORGE TROFIMOFF secretly removed and replaced staples in classified United States documents relating to the national defense in order to photograph the documents' contents.

(4) GEORGE TROFIMOFF secretly returned classified United States documents relating to the national defense to the Nuernberg JIC.

(5) GEORGE TROFIMOFF purchased a Minox camera at the direction of the KGB, but "turned it back in" through Igor Susemihl because "it was too dangerous to have."

(6) GEORGE TROFIMOFF used a double-frame camera to photograph the contents of classified United States documents relating to the national defense.

(7) GEORGE TROFIMOFF made and used a device to place documents while he photographed them, "so the page would fit exactly."

(8) GEORGE TROFIMOFF possessed two goose neck lamps in 1994.

(9) GEORGE TROFIMOFF purchased film.

(10) GEORGE TROFIMOFF put rolls of exposed film back into their original boxes and glued the boxes shut.

(11) GEORGE TROFIMOFF stored boxes of exposed film at his home until he delivered them to Igor Susemihl or to KGB officers.

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| <p>(12) GEORGE TROFIMOFF hand carried boxes of exposed film to Igor Susemihl.</p>  | <p>cash payments in Deutschmarks from Igor Susemihl, and from KGB officers.</p>   |
| <p>(13) GEORGE TROFIMOFF hand carried boxes of exposed film to KGB intelligence officers.</p>  | <p>(25) GEORGE TROFIMOFF received cash bonuses from the KGB.</p>  |
| <p>(14) GEORGE TROFIMOFF maintained a regular relationship with and had frequent contacts with Igor Susemihl.</p>  | <p>(26) GEORGE TROFIMOFF received approximately 90,000 Deutschmarks from KGB.</p>   |
| <p>(15) GEORGE TROFIMOFF traveled to Amstetten, Austria, and met with a KGB officer.</p>   | <p>(27) GEORGE TROFIMOFF used an oral recognition signal or statement, called a “parole”, when he met with a KGB officer.</p>   |
| <p>(16) GEORGE TROFIMOFF traveled to Zell am See, Austria, and met with a KGB officer.</p>   | <p>(28) GEORGE TROFIMOFF concealed from his wives his espionage activities and the true nature of the money he received from the KGB.</p>                                   |
| <p>(17) GEORGE TROFIMOFF traveled to Bad Ischl, Austria, and met with a KGB officer.</p>   | <p>(29) GEORGE TROFIMOFF failed to report his relationship with Igor Susemihl, to the United States Army, as he was required to do.</p>                                     |
| <p>(18) GEORGE TROFIMOFF traveled to Hallein, Austria, and met with a KGB officer.</p>   | <p>(30) In or around December 1994, GEORGE TROFIMOFF and Igor Susemihl told authorities in Germany that money TROFIMOFF received from Igor Susemihl was personal loans.</p> |
| <p>(19) GEORGE TROFIMOFF traveled to in or around St. Johann, Austria, and met with a KGB officer.</p>   | <p>(31) In or after December 1994, GEORGE TROFIMOFF discarded a tripod.</p>   |
| <p>(20) GEORGE TROFIMOFF met with KGB officer Anatoliy Tikhonovich Kireyev, a/k/a Kireev.</p>  | <p>(32) GEORGE TROFIMOFF was awarded the Order of the Red Banner.</p>   |
| <p>(21) GEORGE TROFIMOFF met with KGB officer Victor Aleksandrovich Chernyshev, a/k/a Tschernyshev.</p>  |   |
| <p>(22) GEORGE TROFIMOFF met with KGB officer Yuriy Vasilyevich Lysov.</p>   |   |
| <p>(23) GEORGE TROFIMOFF turned over to the KGB photographs of documents from the JIC which he believed would be of value to the KGB and could not be traced to him.</p> |   |
| <p>(24) GEORGE TROFIMOFF received periodic</p>   |   |

#### **E. Venue**

Venue is obtained by Title 18, United States Code, Section 3238.

All in violation of Title 18, United States Code, Section 794(c).

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Forfeitures

1. The allegations contained in Count One of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures, pursuant to the provisions of Title 18, United States Code, Section 794(d).
2. From his engagement in any or all of the violations alleged in Count One, punishable by imprisonment for more than one year, the defendant shall forfeit to the United States, pursuant to Title 18, United States Code, Section 794(d)(1)(A) and (B), all of his interest in:
  - a. Property constituting and derived from any proceeds the defendant obtained, directly or indirectly, as a result of such violations; and
  - b. Property used and intended to be used in any manner or part to commit or to facilitate the commission of such violations.
3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:
  - a. cannot be located upon the exercise of due diligence;
  - b. has been transferred, sold to, or deposited with, a third party;
  - c. has been placed beyond the jurisdiction of the Court;
  - d. has been substantially diminished in value; or
  - e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated in Title 18, United States Code, Section 794(d)(3), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Section 794.

A TRUE BILL,

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FOREPERSON

DONNA A. BUCELLA  
United States Attorney

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WALTER E. FURR, III  
Assistant United States Attorney  
Chief, Narcotics Section

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LAURA A. INGERSOLL  
Senior Trial Attorney  
Internal Security Section  
United States Department of Justice

## Robert Philip Hanssen

The FBI arrested Robert Philip Hanssen, a 27-year veteran of the bureau, on 18 February 2001 at his home in Vienna, Virginia, after he allegedly dropped off a package of classified information at a nearby park. Prosecutors said Hanssen began spying for Russia in 1985, but Hanssen's lawyer said that his espionage career actually began in 1979. Hanssen later confirmed this date. After a hiatus, he renewed his espionage activities when he sent a letter to the KGB in 1985. He passed on highly classified information to the Russians over the years. He also identified three Russian intelligence agents who were working for the United States.



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### ARREST OF ROBERT PHILIP HANSEN

After the usual postulating by both sides—the Department of Justice and Hanssen's lawyer—prior to an actual trial, a plea agreement was reached. On 6 July 2001, Hanssen publicly admitted that he engaged in a 15-year-long conspiracy to commit espionage against the United States. In the plea agreement accepted by the judge, Hanssen pleaded guilty to that conspiracy, to 13 different acts of espionage and to one count of attempted espionage.

Under the plea agreement, Hanssen received a life prison sentence with no possibility of parole. The agreement also required Hanssen to submit to extensive debriefings by the US Intelligence Community.

Hanssen's initial letter with the names of three Russia officers spying for the United States certainly caused the KGB to accept his bona fides quickly. Although the KGB's CIA spy Aldrich "Rick" Ames had previously provided the same names to the KGB, his letter coming shortly after Ames made the identification only confirmed the guilt of the Russian officers. In addition, the information Hanssen passed to the KGB was of extremely high quality and that the KGB probably knew that he was a senior FBI officer with access to counterintelligence information.

Hanssen and his Russian intelligence handlers used simple, time-honored tradecraft to communicate with each other. No use was made of secret writing. Although Hanssen had substantial communications with the KGB about using sophisticated computer techniques for communications, they used no sophisticated communication devices or modern technology but relied on the US postal service, the telephone, and signal sites and deaddrops.

Well aware that the many unsuccessful American spies were caught when they telephoned the Soviet/Russian Embassy, Hanssen avoided calling there. He devised using the newspaper ad to trigger a call to a number not connected with the Soviets and, therefore, not under FBI surveillance. Even the letters and documents he mailed to the Soviets were sent to officers he knew were not under FBI letter coverage.

They did use computer diskettes for informational purposes only—Hanssen passing 26 diskettes to the KGB/SVR<sup>1</sup> and the KGB/SVR passing 12 diskettes to Hanssen. Hanssen also kept reminders of his clandestine appointments in his Palm III organizer, which is a hand-held personal digital assistant. The FBI determined that Hanssen's Palm III contained a reference to "ELLIS" and the date 18 February and the time 8:00. The term "ELLIS" is the KGB/SVR codename for the deaddrop site located in the area of Foxstone Park that was used seven times by "B," the KGB/SVR, or both.



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During his espionage career, Hanssen sent 27 letters to the KGB/SVR, loaded 22 packages in deaddrops, and had two telephone conversations with KGB personnel. The KGB/SVR loaded 33 packages in deaddrops for Hanssen to unload. Signal sites were used to indicate when either Hanssen or the KGB/SVR loaded and unloaded the drops.

Hanssen's selection of Nottoway Park ("PARK/PRIME") as a deaddrop site clearly showed that Hanssen did his homework before embarking on his espionage career. His instructions as to the location, package preparation, signal locations, and signals were well prepared. Up until this time, the KGB had not used public parks but preferred to use rural areas for drop sites—like the one used with John Walker.

It is also interesting to note that just before Aldrich "Rick" Ames' return to the United States in 1992—the same year Hanssen drops contact with the KGB—the KGB gave Ames a drop site at Little Falls Branch Park ("BRIDGE"). Other drop sites given to Ames were also in parks—Langley Park ("Creek"), Rock Creek Park ("Ground"), and Wheaton Regional Park ("Pipe"). In 1991 the SVR and Hanssen also used Rock Creek Park as a drop site ("Grace") but only one time. Hanssen probably did not like using this site because it was outside Virginia and outside his pattern of movement. This demonstrates that the successful use of parks with Hanssen was not lost on the KGB/SVR.

For all their expertise in running successful spies over the years—the Walkers, Ames, Clyde Conrad—the KGB/SVR did not control the operation; Hanssen did. He never told them his name. His initial contact was an unsigned letter to the Soviets—the KGB called him "B." In a June 1986 letter to the KGB, Hanssen signs it "Ramon." Over a year later, he uses the name "R. Garcia" in the return address line.

In November 1987, Hanssen changes from R. Garcia to J. Baker—later he uses Jim Baker. He again changes the return address name over a year later—1 December 1988—to G. Robertson, but in August 1990 he reverts back to J. Baker. In 1992, Hanssen breaks contact with the SVR. In October 1999 the SVR leaves a letter for Hanssen in a drop,

but there is no further contact between the two. This obviously upsets Hanssen who writes to the SVR in March 2000 to complain about the silence from the SVR. He signs this letter Ramon Garcia as if to say to the SVR, Remember me!

On three occasions, the KGB/SVR suggested that Hanssen meet with them abroad. The KGB probably suggested meeting overseas as a way to put a name and a face to their agent, get to know him personally, and to discuss future contact instructions and tasking. Also, the KGB suggested meeting outside the United States because they feel more secure in meeting an American agent beyond the surveillance reach of the FBI. The FBI's previous successes against them made the KGB reluctant to hold any personal meetings in the United States.

Each time a meeting outside the United States was raised, Hanssen rejected it. He told the KGB/SVR that foreign travel was a tipoff to counterintelligence of possible espionage activity.

Hanssen was concerned about his security. He not only changed the names he used on letters to the KGB/SVR but also periodically checked the FBI's Automated Case Support System (ACS) to determine if any of his activities came to the Bureau's attention. An audit of Hanssen's use of ACS showed that he was a consistent user of the Electronic Case File (ECF) in particular and that he periodically conducted searches of the ECF database, using a wide variety of very specific search terms. Although some of Hanssen's ACS use appeared to have been related to his official responsibilities, he made a substantial number of ACS searches apparently directly related to his own espionage activities.<sup>2</sup>

Through these searches, Hanssen could retrieve certain FBI records that would indicate whether he or his KGB/SVR associates, or their activities or operational locations, were known to or suspected by the FBI and, thus, whether he was exposed to danger. For example, on the following dates, Hanssen searched the ECF for the following terms, limiting some of the searches to a specified period of time as indicated:

25 July 1997	Hanssen
30 March 1998	Dead Drop and KGB
18 May 1998	Dead Drop Dead Drop and Russia
6 July 1998	Dead Drop Dead Drop and Washington FISA and Cell Phone Hanssen
30 July 1998	9414 Talisman Dead Drop Dead Drop and Washington Double D Hanssen Robert P. Hanssen
3 September 1998	Robert Hanssen Robert P Hanssen Robert P. Hanssen
21 September 1998	'Dead Drop' 'Dead Drop' and Russia
13 October 1998	Dead Drop Dead Drop [Dates=08/01/1998-10/13/1998
27 October 1998	'Dead Drop' 'Dead Drop' and Washington 'Dead Drop' Washington
14 December 1998	Dead Drop Dead Drop and Washington
7 April 1999	Drop Site Drop Site and Russia.89
12 April 1999	Robert Hanssen Talisman Drive White Cedar Whitecedar Court
11 August 1999	CCTV and Virginia CCTV and Virginia [Dates=01/01/1999008/11/1999 Foxstone
17 August 1999	Dead Drop [Dates=01/01/1999-08/17/1999
30 August 1999	Dead Drop Dead Drop [Dates=07/01/1999-08/30/1999 September 2, 1999: CCTV CCTV and SVR 'Dead Drop' and SVR 'Dead Drop' SVR
28 September 1999	Drop Site Drop Site [Dates=10/01/1999-10/21/1999 Talisman
21 October 1999	Dead Drop [Dates=10/01/1999-10/21/1999
26 October 1999	Vienna and Virginia Vienna and Virginia and FCI [Dates=1/01/1999/10/27/1999]
27 October 1999	Dead Drop [Dates=1/09/1999-1/28/1999
3 November 1999	Foxstone Foxstone and Vienna Vienna and Drop Vienna and Drop and FCI [Dates=01/01/1999-11/4/1999 Vienna and Drop [Dates=01/06/1999-03/11/1999
15 November 1999	Dead Drop and Virginia Foxstone.90
13 January 2000	Dead Drop [Dates=01/01/2000-01/13/2000 Dead Drop [Dates=10/01/1999-12/31/1999
18 January 2000	Drop Site and Virginia SVR and Dead Drop Not GRU
14 March 2000	Dead Drop and SVR
31 March 2000	Dead Drop Dead Drop and Russia
22 May 2000	Talisman Drive
28 September 2000	Dead Drop and Washington
4 October 2000	Drop Site [Dates=08/01/2000-10/04/2000
13 November 2000	Dead Drop [Dates=10/01/2000-11/13/2000
21 December 2000	Dead Drop [Dates=10/01/2000-12/22/2000 Espionage [Dates=11/01/2000-12/21/2000
3 January 2001	Robert Hanssen
16 January 2001	Dead Drop [Dates=12/01/2000-01/15/2001 Espionage [Dates=11/01/2000-01/15/2001
19 January 2001	Dead Drop [Dates=12/01/2000-01/18/2001
22 January 2001	Dead Drop [Dates=01/01/2000-01/12/2001 Dead Drop [Dates=12/01/2000-01/22/2001 Dead Drop [Dates=01/01/2000-01/22/2001 Foxstone

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Hanssen did tremendous damage to the FBI's counterintelligence program against the Russians by identifying FBI sources, providing information on the FBI Double Agent Program, and numerous FBI counterintelligence investigative techniques, sources, methods and operations, and FBI operational practices and activities targeted against the KGB/SVR. He also advised the KGB/SVR as to specific methods of operation that were secure from FBI surveillance and warned the KGB/SVR as to certain methods of operation that were subject to FBI surveillance. In addition, he disclosed to the KGB the FBI's secret investigation of Felix Bloch, a Foreign Service Officer, for espionage, which led the KGB to warn Bloch that he was under investigation, which completely compromised the investigation.

Hanssen also did immense damage to the US Intelligence Community (IC). He compromised numerous human sources and dozens of US Government classified documents. These documents pertained to the National MASINT (Measurement and Signature Intelligence) Program, the US Double Agent Program, and the US IC's Comprehensive Compendium of Future Intelligence Requirements. He passed a study concerning KGB recruitment operations against the CIA, an assessment of the KGB's effort to gather information concerning certain US nuclear programs, and a CIA analysis of the KGB's First Chief Directorate. He gave them a highly classified and tightly restricted analysis of the foreign threat to a specific-named highly compartmented classified US Government program and other classified documents of exceptional sensitivity.

He compromised US IC technical operations of extraordinary importance and value. This included specific electronic surveillance and monitoring techniques and precise targets of the US IC. In one case, he compromised an entire technical program of enormous value, expense, and importance to the US Government. In several other cases, he compromised the US IC's specific communications intelligence capabilities, as well as several specific targets. All in all, Hanssen provided the KGB/SVR more than 6,000 pages of documentary material.

Hanssen claimed that his decision to become a spy began when he was 14 years old and read Kim Philby's book entitled *My Silent War*. If his claim is true, he gained some insight into the espionage world, found it fascinating, and decided to he wanted to take part. He actually did try his hand at being a spy in 1979—just two years after he joined the FBI—when he sent a letter to the GRU offering his services. He communicated with them until 1982 when his wife discovered his activities and told him to stop. There has been no further media reporting on his work for the GRU or what he provided to them.

He obviously learned a great deal from this initial, undetected foray into being a double agent. Combined with his FBI training and knowledge, he was well prepared three years later when he contacted the KGB. Although financial vetting was given greater importance within the Intelligence Community based on the Ames case—for the money—this tool is not effective if an intelligence officer is receiving illicit payments, which he takes deliberate steps to hide. He used the funds he received from the KGB/SVR in such a way that it was not noticeable. He never purchased a house that drew attention and he drove older cars—unlike Ames who purchased an expensive home and bought himself a Jaguar.

Money was not the sole contributing factor in Hanssen's decision to be a spy. While the money probably helped him finance his children's private education, ego also played a role. He found the role of spy to be an adventure—alluring and exciting—that gave him a feeling of power and control. Like Philby, he apparently believed that he would influence the course of history. The three times in which the Soviets/Russians conveyed thanks or regards from the KGB Director seemingly reinforced this belief.

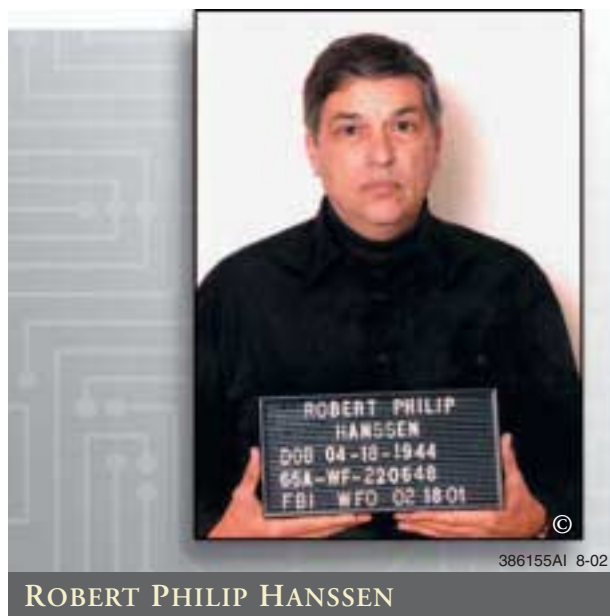
Despite not being able to personally meet with Hanssen, the Soviets/Russians seized opportunities to show that they valued his personal opinion and had faith in his ability to assess the local security environment. They told him on several occasions

that they wanted him to comment on information he provided so that they would not take any precipitous action to jeopardize his security.

In April 1989, the KGB presented several awards to KGB officers involved in the Hanssen espionage operation, including the highly coveted Order of the Red Banner, the Order of the Red Star, and the Medal for Excellent Service.

### **Hanssen's FBI Career**

On 12 January 1976, Hanssen joined the FBI as a Special Agent. After initial training, he was assigned to the FBI Field Office in Indianapolis, Indiana, and served on a White Collar Crime squad at the Resident Agency in Gary, Indiana, until 1 August 1978. The next day Hanssen was assigned to the FBI Field Office in New York, New York, initially working on accounting matters in the field office's criminal division.



In March 1979, Hanssen was detailed to the New York Field Office's Intelligence Division to help establish the FBI's automated counterintelligence database in that office. At that time, this was a new automated database of information about foreign officials, including intelligence officers, assigned to

the United States. Hanssen left the New York Field Office on 10 January 1981.

On 12 January 1981 Hanssen was assigned to FBI Headquarters in Washington, DC, as a Supervisory Special Agent in the Intelligence Division. He was assigned to the Budget Unit, which managed the FBI's portion of the United States Intelligence Community's National Foreign Intelligence Program, and prepared budget justifications to Congress. This office had access to the full range of information concerning intelligence and counterintelligence activities involving FBI resources.

From August 1983 until September 1985, Hanssen was assigned to the Soviet Analytical Unit, which supported FBI FCI operations and investigations involving Soviet intelligence services, and provided analytical support to senior FBI management and the Intelligence Community. While at FBI Headquarters, Hanssen was assigned to the intelligence component of a particular highly compartmented classified US Government program. He also served on the FBI's FCI Technical Committee, which was responsible for coordinating technical projects relating to FCI operations.

On 23 September 1985, Hanssen was assigned to the Intelligence Division of the FBI Field Office in New York, New York, as supervisor of an FCI squad. He left New York to return to FBI Headquarters on 2 August 1987.

On 3 August 1987, he again served as a Supervisory Special Agent in the Intelligence Division's Soviet Analytical Unit. On 25 June 1990, Hanssen was assigned to the FBI Headquarters' Inspections Staff as an Inspector's Aide. In this assignment he traveled to FBI Field Offices, Resident Agencies, and FBI Legal Attache offices in US Embassies abroad.

On 1 July 1991, he returned to the Intelligence Division at FBI Headquarters. He served for six months in the Soviet Operations Section as a program manager in the unit responsible for countering efforts by the Soviets (and particularly

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the KGB's Line X) to acquire US scientific and technical intelligence.

On 6 January 1992, Hanssen became Chief of the National Security Threat List (NSTL) Unit in the Intelligence Division (renamed the National Security Division, or NSD, in 1993) at FBI Headquarters. There he focused the Unit's efforts on economic espionage. He was temporarily assigned to the FBI's Washington Metropolitan Field Office (now called Washington Field Office) on 11 April 1994. In December 1994, he was reassigned to FBI Headquarters, in the Office of the Assistant Director for NSD.

Hanssen was detailed on 12 February 1995 to serve as the FBI's senior representative to the Office of Foreign Missions of the US Department of State (DOS/OFM). In that position he functioned as the head of an interagency counterintelligence group within DOS/OFM and as FBI's liaison to the State Department's Bureau of Intelligence and Research (DOS/INR).

Effective 13 January 2001, Hanssen was assigned to a newly created position in the Information Resources Division at FBI Headquarters in order that the FBI could more effectively monitor his daily activities without alerting him to the ongoing investigation of his activities.

### **Letters to the KGB/SVR**

Hanssen resumed his spying activities when he mailed an envelope on 1 October 1985 to the residence of Viktor M. Degtyar in Alexandria, Virginia. Degtyar was a KGB Line PR (Political Intelligence) officer stationed at the Soviet/Russian Embassy in Washington, DC. The envelope was postmarked "Prince George's Co, MD." When he opened the envelope, he found an inner envelope, marked "DO NOT OPEN. TAKE THIS ENVELOPE UNOPENED TO VICTOR I. CHERKASHIN." At that time, Viktor Ivanovich Cherkashin was the Line KR (Counterintelligence) Chief at the Soviet Embassy.

Inside the inner envelope was an unsigned typed letter from the person whom the KGB came to call "B." The letter read in part as follows:

DEAR MR. CHERKASHIN:

SOON, I WILL SEND A BOX OF DOCUMENTS TO MR. DEGTYAR. THEY ARE FROM CERTAIN OF THE MOST SENSITIVE AND HIGHLY COMPARTMENTED PROJECTS OF THE U.S. INTELLIGENCE COMMUNITY. ALL ARE ORIGINALS TO AID IN VERIFYING THEIR AUTHENTICITY. PLEASE RECOGNIZE FOR OUR LONG-TERM INTERESTS THAT THERE ARE A LIMITED NUMBER OF PERSONS WITH THIS ARRAY OF CLEARANCES. AS A COLLECTION THEY POINT TO ME. I TRUST THAT AN OFFICER OF YOUR EXPERIENCE WILL HANDLE THEM APPROPRIATELY. I BELIEVE THEY ARE SUFFICIENT TO JUSTIFY A \$100,000 PAYMENT TO ME.

I MUST WARN OF CERTAIN RISKS TO MY SECURITY OF WHICH YOU MAY NOT BE AWARE. YOUR SERVICE HAS RECENTLY SUFFERED SOME SETBACKS. I WARN THAT MR. BORIS YUZHIN (LINE PR, SF), MR. SERGEY MOTORIN, (LINE PR, WASH.) AND MR. VALERIY MARTYNOV (LINE X, WASH.) HAVE BEEN RECRUITED BY OUR "SPECIAL SERVICES."

Boris Nikolayevich Yuzhin was a KGB Line PR officer assigned to the San Francisco residency under cover as a student from 1975 to 1976 and then as a TASS correspondent from 1978 to 1982. The FBI recruited Yuzhin to serve as an agent-in-place, and the FBI debriefed him. After returning to the Soviet Union, Yuzhin became the subject of an internal KGB investigation. Ames compromised Yuzhin to the KGB in June 1985 and by Hanssen in October 1985 as described above. Based in part on the information Hanssen gave the KGB, Yuzhin was arrested in December 1986, convicted of espionage, and sentenced to serve 15 years in prison. In 1992, he was released under a general grant of amnesty to political prisoners and subsequently immigrated to the United States.

Sergey Mikhailovich Motorin was a KGB Line PR officer assigned to the Soviet Embassy in Washington, DC, from June 1980 to January 1985. In January 1983, the FBI recruited Motorin to

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serve as an agent-in-place, and the FBI debriefed him. Motorin returned to Moscow at the end of his tour of duty in January 1985. Ames and Hanssen compromised Motorin, like Martynov, to the KGB in June 1985 and October 1985, respectively. Based in part on the information Hanssen gave the KGB, Motorin was arrested in November or December 1985, tried and convicted on espionage charges during the period of October-November 1986, and executed in February 1987.

Valeriy Fedorovich Martynov was a KGB Line X officer assigned to the Soviet Embassy in Washington, DC, from October 1980 to November 1985. In April 1982, the FBI recruited Martynov to serve as an agent-in-place. He was debriefed jointly by the FBI and the CIA. Ames compromised Martynov to the KGB in June 1985 and by Hanssen in October 1985. Based in part on the information provided by Hanssen, the KGB directed Martynov to return to Moscow in November 1985, ostensibly to accompany KGB officer Vitaliy Yurchenko, who was returning to the Soviet Union after his August 1985 defection to the United States. Upon arriving in Moscow on 7 November 1985, Martynov was arrested. He was subsequently tried and convicted on espionage charges and then executed.

Hanssen proceeded to describe in detail a particular highly sensitive and classified information collection technique. This was on the existence of an FBI technical penetration of a particular Soviet establishment, as well as the specific location of the penetration device and the methods and technology utilized, which information was classified TOP SECRET and directly concerned communications intelligence.

In addition, "TO FURTHER SUPPORT MY BONA FIDES" he provided specific, closely held items of information regarding then-recent Soviet defectors. The information concerning the FBI's recruitment of Yuzhin, Motorin, and Martynov was classified at least at the SECRET level as was the defector information. The sensitive information collection technique was classified at the TOP SECRET level.

Hanssen added:

DETAILS REGARDING PAYMENT AND FUTURE CONTACT WILL BE SENT TO YOU PERSONALLY. . . . MY IDENTITY AND ACTUAL POSITION IN THE COMMUNITY MUST BE LEFT UNSTATED TO ENSURE MY SECURITY. I AM OPEN TO COMMO SUGGESTIONS BUT WANT NO SPECIALIZED TRADECRAFT. I WILL ADD 6, (YOU SUBTRACT 6) FROM STATED MONTHS, DAYS AND TIMES IN BOTH DIRECTIONS OF OUR FUTURE COMMUNICATIONS.

When Hanssen mailed this letter to the KGB he had recently been reassigned to New York City. However, FBI records show that on that particular day he was in Washington, DC, on administrative matters. The FBI information establishes Hanssen's ability to mail the letter from Washington, DC, rather than New York City where he was officially stationed.

True to his promise, Hanssen sent a package to Degtyar, which was received on 15 October 1985 at Degtyar's Alexandria residence. The package contained a large number of classified documents, including some original documents, of the US Intelligence Community. The next day at 8:35 am, FBI surveillance personnel observed Degtyar arriving at the Soviet Embassy carrying a large black canvas bag, which he did not typically carry.

On 8 November 1985, Degtyar and Cherkashin received a typed letter from Hanssen, which read in part as follows:

Thank you for the 50,000. I also appreciate your courage and perseverance in the face of generically reported bureaucratic obstacles. I would not have contacted you if it were not reported that you were held in esteem within your organization, an organization I have studied for years. I did expect some communication plan in your response. I viewed the postal delivery as a necessary risk and do not wish to trust again that channel with valuable material. I did this only because I had to so you would take my offer seriously, that there be no misunderstanding as to my long-term value, and to obtain appropriate security for our relationship from the start.

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Hanssen then rejected the contact plans proposed by the KGB, and suggested a particular communications scheme based on “a microcomputer ‘bulletin board’” at a designated location, with “appropriate encryption.” Meanwhile, he wrote:

Let us use the same site again. Same timing. Same signals.” “B” proposed that the next dead drop occur on “September 9” which, according to the “6” coefficient that he established with the KGB in his first letter, actually meant that the dead drop operation would take place on March 3, 1986.

Hanssen also wrote:

As far as the funds are concerned, I have little need or utility for more than the 100,000. It merely provides a difficulty since I can not spend it, store it or invest it easily without tripping [sic] “drug money” warning bells. Perhaps some diamonds as security to my children and some good will so that when the time comes, you will accept by [sic] senior services as a guest lecturer. Eventually, I would appreciate an escape plan. (Nothing lasts forever.)

Referring to Yuzhin, Motorin, and Martynov, whom he had identified in his first letter as United States intelligence recruitments, Hanssen wrote:

I can not provide documentary substantiating evidence without arousing suspicion at this time. Never-the-less, it is from my own knowledge as a member of the community effort to capitalize on the information from which I speak. I have seen video tapes of debriefings and physically saw the last, though we were not introduced. The names were provided to me as part of my duties as one of the few who needed to know. You have some avenues of inquiry. Substantial funds were provided in excess of what could have been skimmed from their agents. The active one has always (in the past) used a concealment device – a bag with bank notes sewn in the base during home leaves.

In conclusion, Hanssen warned of a “new technique” used by NSA to collect against a specific Soviet target, which he described.

On 30 June 1986, Degtyar received another typed letter from Hanssen at his residence. The letter read in part as follows:

I apologize for the delay since our break in communications. I wanted to determine if there was any cause for concern over security. I have only seen one item which has given

me pause. When the FBI was first given access to Victor Petrovich Gundarev, they asked . . . if Gundarev knew Viktor Cherkashin. I thought this unusual. I had seen no report indicating that Viktor Cherkashin was handling an important agent, and here-to-fore he was looked at with the usual lethargy awarded Line Chiefs. The question came to mind, are they somehow able to monitor funds, ie., to know that Viktor Cherkashin received a large amount of money for an agent? I am unaware of any such ability, but I might not know that type of source reporting.

Viktor Gundarev was a KGB Line KR officer who defected to the United States on 14 February 1986. A classified FBI debriefing report, dated 4 March 1986, states that FBI debriefers showed Gundarev a photo of Cherkashin and asked if he knew Cherkashin.

Hanssen then informed the KGB that the United States knew of a particular technical vulnerability in Soviet satellite transmissions and was actively exploiting the vulnerability.

He concluded:

If you wish to continue our discussions, please have someone run an advertisement in the Washington Times during the week of 1/12/87 or 1/19/87, for sale, “Dodge Diplomat, 1971, needs engine work, \$1000.” Give a phone number and time-of-day in the advertisement where I can call. I will call and leave a phone number where a recorded message can be left for me in one hour. I will say, “Hello, my name is Ramon. I am calling about the car you offered for sale in the Times.” You will respond, “I’m sorry, but the man with the car is not here, can I get your number.” The number will be in Area Code 212. I will not specify that Area Code on the line.

Hanssen signed the letter “Ramon.”

According to the established “6” coefficient, the weeks the advertisement was actually to run were 6 July 1986, or 13 July 1986.

Before his PCS departure from the United States, Degtyar received an envelope at his residence. The envelope bore a handwritten address and a return address: “Ramon Garcia, 125 Main St, Falls Church VA.” It was postmarked from “NO VA MSC 22081” on 19 August 1986. MSC designates the Merrifield Service Center in Virginia. Inside the envelope was a handwritten note: “RECEIVED \$10,000. RAMON.”

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On 11 September 1987, KGB Line PR officer Boris Malakhov received an envelope at his residence in Alexandria, Virginia. The envelope bore a handwritten address to “B.N. MALKOW” at the “NANCY” address—the “NANCY” address was the residence of Malakhov who replaced Degtyar as the Soviet Embassy press secretary. Hanssen was instructed to misspell Malakhov’s name as “Malkow.” The envelope had a handwritten return address of “R. GARCIA, 125 MAIN ST, ALEXANDRIA, VA,” and was postmarked 8 September 1987.

Inside was the following typed letter:

Dear Friends:

No, I have decided. It must be on my original terms or not at all. I will not meet abroad or here. I will not maintain lists of sites or modified equipment. I will help you when I can, and in time we will develop methods of efficient communication. Unless a [sic] see an abort signal on our post from you by 3/16, I will mail my contact a valuable package timed to arrive on 3/18. I will await your signal and package to be in place before 1:00 pm on 3/22 or alternately the following three weeks, same day and time. If my terms are unacceptable then place no signals and withdraw my contact. Excellent work by him has ensured this channel is secure for now. My regards to him and to the professional way you have handled this matter.

Sincerely,

Ramon

According to the established “6” coefficient, the dates referred to in this letter were actually 10, 12, and 16 September.

On Monday, 14 September 1987, the KGB received in the mail a package of documents, including TOP SECRET National Security Council documents.

On 10 November 1987, Malakhov received a letter at his residence. The envelope bore a return address of “J. Baker” in “Chicago” and was postmarked on 7 November 1987. In the letter, Hanssen advised that Saturday for “AN” was not suitable, and he postponed the operation for two days, until Monday, 16 November. He advised that he had an urgent package for the KGB and asked

the KGB to place a signal confirming receipt of the letter. That same day, the KGB placed a signal at the “PARK” signal site. Thereafter, whenever Hanssen used the word “Chicago” in a return address, it was to signal that he intended for a deaddrop exchange to occur the following Monday.

On 4 February 1988, the KGB received a note from Hanssen at one of the new accommodation addresses given to Hanssen in the 23 November 1987 deaddrop. The address was the residence of a Soviet diplomatic official known to the FBI as a KGB co-optee located in Virginia. The note read simply “OK.” It was in an envelope bearing a return address of “Jim Baker” in “Langley” and postmarked in Washington, DC, on 3 February 1988.

On 16 March 1988, the KGB received a second computer diskette from Hanssen at an accommodation address in Virginia. The envelope bore a return address of “Jim Baker” in “Chicago” and was postmarked in Washington, DC, on 15 March 1988.

The next day the KGB received another letter from Hanssen at an accommodation address in Virginia. The envelope bore a return address of “Jim Baker” in “Chicago” and was postmarked in Northern Virginia on 16 March 1988. In the letter, Hanssen instructed the KGB to use the “PARK/PRIME” deaddrop site until the KGB approved the other sites.

On 26 March 1988, the KGB received a third computer diskette from Hanssen at an accommodation address in Virginia. The envelope bore a return address of “Jim Baker” in “Chicago” and was postmarked in Washington, DC, on 24 March 1988. The KGB found no text on the diskette, which it referred to as “D-3.”

The KGB received an envelope on 4 April 1988 from Hanssen at an accommodation address in Virginia. The envelope bore a return address of “Jim Baker” in “Alexandria” and was postmarked in Northern Virginia on 31 March 1988. In response to the KGB’s indication that the diskette he sent was empty, Hanssen’s note read “use 40 TRACK MODE, this letter is not a signal.” The



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term “use 40-track mode” refers to a technical process for reformatting a computer diskette in order to conceal data by putting the data onto specific tracks on the diskette. Unless a person uses the correct codes to decrypt such a diskette, the diskette would appear to be blank.

Two days later, on 6 April, the KGB received a package at an accommodation address in Virginia. The envelope bore a return address of “Jim Baker” in “Fairfax” and a postmark of “MSC NO VA” (Merrifield Service Center, Northern Virginia) on 5 April.

The package contained a fifth diskette (“D-5”). On the diskette, Hanssen provided what the KGB characterized as “everything” about a particular KGB officer and information about two specific Soviet FBI recruitments. Hanssen also explained why the KGB had been unable to read his diskettes. Hanssen also asked the KGB for diamonds. The KGB subsequently purchased several diamonds for use in the operation.

In addition, Hanssen provided information on KGB defector Victor Sheymov. He told the KGB that he could read the Viktor Sheymov file because a special project relating to Sheymov was about to begin.

At that time, Hanssen was reviewing the Sheymov file in preparation for his participation in upcoming Intelligence Community debriefings of Sheymov. Throughout the operation, Hanssen reported on Sheymov’s defection. Hanssen took particular interest in the Sheymov case and developed a personal friendship with Sheymov. In fact, Hanssen told FBI coworkers that he was considering an offer of lucrative employment by Sheymov after retirement in April 2001.

Victor Sheymov has been publicly identified as a former KGB Major, who worked in the 8<sup>th</sup> Chief Directorate of the KGB. At the time of his defection, he was responsible for coordinating KGB encrypted communications overseas. According to media reporting, the CIA smuggled Sheymov, his wife, and their 5-year-old daughter out of Moscow

on 16 May 1980. He now runs a computer security company called Invicta Networks.

On 24 May 1988, the KGB received a letter at an accommodation address in the District of Columbia. The envelope bore a return address of “Jim Baker” in “Chicago” and was postmarked in “MSC NO VA” on 17 May 1988. With the letter was Hanssen’s sixth diskette (“D-6”), which contained information about a number of matters. The diskette also contained information about a specific recent FBI Soviet recruitment operation.

*The KGB received a letter on 15 July 1988 at an accommodation address in Virginia. The envelope bore a return address of “Chicago” and was postmarked “WDC 200” on 13 July 1988. The zip codes for Washington, DC, begin with “200.” The typed letter read as follows:*

I found the site empty. Possibly I had the time wrong. I work from memory. My recollection was for you to fill before 1:00 a.m. I believe Viktor Degtyar was in the church driveway off Rt. 123, but I did not know how he would react to an approach. My schedule was tight to make this at all. Because of my work, I had to synchronize explanations and flights while not leaving a pattern of absence or travel that could later be correlated with communication times. This is difficult and expensive.

I will call the number you gave me on 2/24, 2/26 or 2/28 at 1:00 a.m., EDT. Please plan filled signals. Empty sites bother me. I like to know before I commit myself as I’m sure you do also. Let’s not use the original site so early at least until the seasons change. Some type of call-out signal to you when I have a package or when I can receive one would be useful. Also, please be specific about dates, e.g., 2/24. Scheduling is not simple for me because of frequent travel and wife. Any ambiguity multiplies the problems.

My security concerns may seem excessive. I believe experience has shown them to be necessary. I am much safer if you know little about me. Neither of us are children about these things. Over time, I can cut your losses rather than become one.

Ramon

P.S. Your “thank you” was deeply appreciated.

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On 31 July 1988, the KGB received an envelope at an accommodation address in Virginia. The envelope bore a return address of Alexandria and contained a letter dated 29 July and Hanssen's seventh diskette ("D-7"), which contained information on technical surveillance systems, a new recruitment in New York City, illegal intelligence, and several other specific Soviet recruitment targets.

On 21 September 1988, the KGB received an envelope at an accommodation address in Virginia. The envelope bore a return address of "Chicago" and was postmarked "WDC" on September 20. The envelope contained Hanssen's eighth diskette ("D-8") and a note that read "At BOB." The diskette contained information about particular Soviet recruitment targets of the FBI.

On 1 December 1988, the KGB received a package at an accommodation address in Virginia. It bore a return address of "G. Robertson, Baker's Photo" and was postmarked "WDC" on 30 November 1988. The package contained a letter and his ninth diskette ("D-9") that contained information about a number of classified matters.

In October 1989, the KGB received two pieces of mail at an accommodation address in Virginia from Hanssen. The first piece of mail was received on 2 October. It was a letter bearing the return address "G. Robertson, 1408 Ingeborg Ct., McLean, VA" and postmarked "NO VA" on 28 September 1989. The letter reported that "The disk is clean. I tried all methods—completely demagnetized." The second piece of mail arrived on 17 October. It was an envelope bearing the return address "G. Robertson, 1101 Kingston Ct., Houston, TX" and postmarked "NO VA MSC 220" on 16 October 1989. The envelope contained Hanssen's sixteenth diskette ("D-16").

On 17 May 1990, the KGB received a letter and a diskette at an accommodation address in Virginia.

On 20 August 1990, the KGB received an envelope, containing Hanssen's twentieth diskette ("D-20"), at an accommodation address in Virginia. The

envelope bore the return address "J. Baker, Box 1101, Alexandria VA." The diskette contained classified information about several matters. Hanssen instructed the KGB to load the "FLO" deaddrop site on 3 September 1990.

On 12 December 1991, the KGB received an envelope at an accommodation address in Alexandria, Virginia. The envelope bore a handwritten return address of "J. Baker, Box 1101, Houston, TX" and was postmarked Washington, D.C. The envelope contained a handwritten note reading "—@ BOB on 6/22; T. DEVICE APPROVED 6/16, COMING SOON." Using the established "6" coefficient, the reference to "6/22" actually refers to 16 December. The reference to "T. DEVICE" related to information Hanssen had previously passed to the KGB regarding an FBI operation to plant a device in a technical surveillance operation against a Soviet person in the United States. Hanssen had reported this operation on 19 August 1991 to the KGB.

On 14 March 2000, Hanssen wrote a letter to the SVR, reading, in part, as follows:

... I have come about as close as I ever want to come to sacrificing myself to help you, and I get silence. I hate silence....Conclusion: One might propose that I am either insanely brave or quite insane. I'd answer neither. I'd say, insanely loyal. Take your pick. There is insanity in all the answers. I have, however, come as close to the edge as I can without being truly insane. My security concerns have proven reality-based. I'd say, pin your hopes on 'insanely loyal' and go for it. Only I can lose. I decided on this course when I was 14 years old. I'd read Philby's book. Now that is insane, eh! My only hesitations were my security concerns under uncertainty. I hate uncertainty. So far I have judged the edge correctly. Give me credit for that. Set the signal at my site any Tuesday evening. I will read your answer. Please, at least say goodbye. It's been a long time my dear friends, a long and lonely time.

Ramon Garcia

On 8 June 2000, Hanssen wrote another letter to the SVR that read, in part, as follows:

Dear Friends:

Administrative Issues:

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Enclosed, once again, is my rudimentary cipher. Obviously it is weak in the manner I used it last—reusing key on multiple messages, but I wanted to give you a chance if you had lost the algorithm [sic]. Thank you for your note. It brought me great joy to see the signal at last. As you implied and I have said, we do need a better form of secure communication—faster. In this vein, I propose (without being attached to it) the following: One of the commercial products currently available is the Palm VII organizer. I have a Palm III, which is actually a fairly capable computer. The VII version comes with wireless internet capability built in. It can allow the rapid transmission of encrypted messages, which if used on an infrequent basis, could be quite effective in preventing confusions if the existance [sic] of the accounts could be appropriately hidden as well as the existance [sic] of the devices themselves. Such a device might even serve for rapid transmittal of substantial material in digital form. Your FAPSI could review what would be needed, its advisability, etc., obviously—particularly safe rules of use. While FAPSI may move with the rapidity of the Chinese army they can be quite effective, in juggernaut fashion, that is to say thorough. . . .

New topics:

If you are wise, you will reign [sic] in the GRU. They are causing no end of grief. But for the large number of double-agents they run, there would be almost no ability to cite activity warranting current foreign counterintelligence outlays. Of course the Gusev affair didn't help you any. If I'd had better communications I could have prevented that. I was aware of the fact that microphones had been detected at the State Department. (Such matters are why I need rapid communications. It can save you much grief.) Many such things are closely held, but that closeness fails when the need for action comes. Then the compartments grow of necessity. I had knowledge weeks before of the existence of devices, but not the country placing them. . . . I only found out the gruesome details too late to warn you through available means including the colored stick-pin call. (Which by the way I doubted would work because of your ominous silence.) Very frustrating. This is one reason I say 'you waste me' in the note. . . .The U.S. can be errantly likened to a powerfully built but retarded child, potentially dangerous, but young, immature and easily manipulated. But don't be fooled by that appearance. It is also one which can turn ingenious [sic] quickly, like an idiot savant, once convinced of a goal. The [ ] Japanese (to quote General Patten [sic] once again) learned this to their dismay. . . .

I will not be able to clear TOM on the first back-up date so don't be surprised if we default to that and you find this then. Just place yours again the following week, same protocol. I greatly appreciate your highly professional inclusion of old references to things known to you in messages resulting from the mail interaction to assure me that the channel remains unpirated. This is not lost on me.

On Swiss money laundering [sic], you and I both know it is possible but not simple. And we do both know that money is not really 'put away for you' except in some vague accounting sense. Never patronize at this level. It offends me, but then you are easily forgiven. But perhaps I shouldn't tease you. It just gets me in trouble. thank you again,

Ramon

On 17 November 2000, Hanssen wrote a letter to the KGB/SVR, reading, in part, as follows:

Dear Friends:

. . . together material for you now over a lengthy period. It is somewhat variable in import. Some were selected as being merely instructive rather than urgently important. I think such instructive Bear with me. It was I who sent the message trying to use TOM to communicate material to you. On reflection, I can understand why you did not respond. I see that I failed to furnish you sufficient information for you to recognize that the message you left for me in ELLIS did not go astray. You do this often (communicate such assurances through the mention of items like the old date offset we used), and believe me, it is not lost on me as a sign of professionalism. I say bear with me on this because you must realize I do not have a staff with whom to knock around all the potential difficulties. (For me breaks in communications are most difficult and stressful.) Recent changes in U.S. law now attach the death penalty to my help to you as you know, so I do take some risk. On the other hand, I know far better than most what minefields are laid and the risks. Generally speaking you overestimate the FBI's capacity to interdict you, but on the other hand, cocksure officers, (those with real guts and not as much knowledge as they think) can, as we say, step in an occasional cowpie. (Message to the translator: Got a good word for cowpie in Russian?? Clue, don't blindly walk behind cows.). . . .I have drawn insights often can be quite as valuable or even more valuable long-term because they are widely applicable rather than narrow. Others are of definite value immediately.

My position has been most frustrating. I knew Mr. Gusev was in eminent [sic] danger and had no effective way of communicating in time. I knew microphones of an unknown origin were detected even earlier and had no regular way of communicating even that. This needs to be rectified if I am to be as effective as I can be. No one answered my signal at Foxhall. Perhaps you occasionally give up on me. Giving up on me is a mistake. I have proven inveterately loyal and willing to take grave risks which even could cause my death, only remaining quiet in times of extreme uncertainty. So far my ship has successfully navigated the slings and arrows of outrageous fortune. I ask you to help me survive. . . .

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On meeting out of the country, it simply is not practical for me. I must answer too many questions from family, friends, and government plus it is a cardinal sign of a spy. You have made it that way because of your policy. Policies are constraints, constraints breed patterns. Patterns are noticed. Meeting in this country is not really that hard to manage, but I am loath to do so not because it is risky but because it involves revealing my identity. That insulation has been my best protection against betrayal by someone like me working from whatever motivation, a Bloch or a Philby. (Bloch was such a shnook. . . . I almost hated protecting him, but then he was your friend, and there was your illegal I wanted to protect. If our guy sent to Paris had balls or brains both would have been dead meat. Fortunately for you he had neither. He was your good luck of the draw. He was the kind who progressed by always checking with those above and tying them to his mistakes. The French said, "Should we take them down?" He went all wet. He'd never made a decision before, why start then. It was that close. His kindred spirits promoted him. Things are the same the world over, eh?)

On funds transfers through Switzerland, I agree that Switzerland itself has no real security, but insulated by laundering on both the in and out sides, mine ultimately through say a corporation I control loaning mortgage money to me for which (re)payments are made.... It certainly could be done. Cash is hard to handle here because little business is ever really done in cash and repeated cash transactions into the banking system are more dangerous because of the difficulty in explaining them. That doesn't mean it isn't welcome enough to let that problem devolve on me. (We should all have such problems, eh?) How do you propose I get this money put away for me when I retire? (Come on; I can joke with you about it. I know money is not really put into an account at MOST Bank, and that you are speaking figuratively of an accounting notation at best to be made real at some uncertain future. We do the same. Want me to lecture in your 101 course in my old age? My college level Russian has sunk low through inattention all these years; I would be a novelty attraction, but I don't think a practical one except in extremis.) So good luck. Wish me luck. OK, on all sites detailed to date, but TOM's signal is unstable. See you in 'July' as you say constant conditions.

yours truly,

Ramon

## Letters From the KGB/SVR

On 6 October 1999, Hanssen received the following letter from the SVR:

Dear friend:

Welcome! It's good to know you are here. Acknowledging your letter to V.K. we express our sincere joy on the occasion of resumption of contact with you. We firmly guarantee you for a necessary financial help. Note, please, that since our last contact a sum set aside for you has risen and presents now about 800.000 dollars. This time you will find in a package 50.000 dollars. Now it is up to you to give a secure explanation of it. As to communication plan, we may have need of some time to work out a secure and reliable one. This why we suggest to carry on the 13th of November at the same drop which you have proposed in your letter to V.K. We shall be ready to retrieve your package from DD since 20:00 to 21:00 hours on the 12th of November after we would read you [sic] signal (a vertical mark of white adhesive tape of 6 - 8 cm length) on the post closest to Wolfrap Creek of the "Foxstone Park" sign. We shall fill our package in and make up our signal (a horizontal mark of white adhesive tape). After you will clear the drop don't forget to remove our tape that will mean for us - exchange is over.

We propose a new place where you can put a signal for us when in need of an urgent DD operation. LOCATION: the closest to Whithaven [sic] Parkway wooden electricity utility pole at the south-west corner of T-shaped intersection of Foxhall Road and Whitehaven Parkway (map of Washington, DC, page 9, grid B11). At any working day put a white thumb tack (1 cm in diameter, colored sets are sold at CVS) into the Northern side of the pole at the height of about 1.2 yards. The tack must be seen from a car going down Foxhall Road. This will mean for us that we shall retrieve your package from the DD Foxstone Park at the evening of the nex [sic] week's Tuesday (when it's getting dark).

In case of a threatening situation of any kind put a yellow tack at the same place. This will mean that we shall refrain from any communication with you until further notice from your side (the white tack).

We also propose for your consideration a new DD site "Lewis". DD LOCATION: wooden podium in the amphitheatre of Long-branch Nature Center (map of N.Virginia, page 16, grid G8). The package should be put under the FAR-LEFT corner of the podium (when facing the podium). Entter [sic] Longbranch Nature Center at the sign from Carlin Springs Road (near 6<sup>th</sup> Road south) and after parking your car in the lot follow the sign "To Amphitheatre." LOCATION OF THE DD SIGNAL: a wooden electricity utility pole at the north-west corner of

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the intersection of 3d Street and Carlin Springs Road near [sic] the Metrobus stop (the same map, grid F7). The signals are the same as in the "Foxstone Park" DD. The white adhesive tape should be placed on the NORTHERN side of the pole, so that it could be noticed fro [sic] a car moving along Carlin Springs Road in the southern direction from Route 50.

Please, let us know during the November operation of your opinion on the proposed places (the new signal and DD "Lewis"). We are intending to pass you a permanent communications plan using drops you know as well a new portion of money. For our part we are very interested to get from you any information about possible actions which may threaten us. Thank you. Good luck to you. Sincerely,

Your friends.

The initials "V.K." are those of a known SVR Line KR senior officer in Washington, DC.

On 31 July 2000, Hanssen received the following letter from the KGB/SVR:

Dear Ramon:

We are glad to use this possibility to thank You for Your striving for going on contact with us. We received Your message. The truth is that we expended a lot of efforts to decipher it. First of all we would like to emphasize that all well known events wich [sic] had taken place in this country and in our homeland had not affected our resources and we reaffirm our strong intentions to maintain and ensure safely our long-term cooperation with You.

We perceive Your actions as a manifestation of Your confidence in our service and from our part we assure You that we shall take all necessary measures to ensure Your personal security as much as possible. Just because proceeding from our golden rule – to ensure Your personal security in the first place – we have proposed to carry out our next exchange operation at the place which had been used in last august [sic]. We did not like to give You any occasion to charge us with an inadequate attention to problems of Your security. We are happy that, according to the version You have proposed in Your last letter, our suggestions about DD, known as "Ellis", coincided completely. However a situation around our colleagues [sic] at the end of passed [sic] year made us to refuse this operation at set day.

1. We thank You for information, which [sic] is of a great interest for us and highly evaluated in our service. We hope that during future exchanges we shall receive Your materials, which will deal with a [sic] work of IC, the FBI and CIA in the first place, against our representatives and officers. We do mean its human, electronic and

technical penetrations in our residencies here and in other countries. We are very interested in getting of the objective information on the work of a special group which serches [sic] "mole" in CIA and FBI. We need this information especially to take necessary additional steps to ensure Your personal security....

2. Before stating a communication plan that we propose for a next future, we would like to precise [sic] a following problem. Do You have any possibility to meet our colleagues [sic] or to undertake the exchange ops in other countries? If yes, what are these countries? Until we receive Your answer at this [sic] questions and set up a new communication plan, we propose to use for the exchange ops DD according to the following schedule:
  - = DD "LEWIS" on 27 of may 2001 (with a coefficient it will mean on 21 of november 2000). We draw Your attention on the fact that we used a former coefficient -6 (sender adds, addressee subtracts). A time will be shown at real sense. We will be ready to withdraw Your package beginning by 8 PM on 27 may 2001 after we shall read Your signal. After that we put DD our package for You. Remove Your signal and place our signal by 9 PM of the same day. After that You will withdraw our package and remove our signal. That will mean an exchange operation is over. We shall check signal site (i.e., its absence) the next day (28 of May) till 9 PM. If by this time a signal had not been removed we shall withdraw our package and shall put it in for You repeatedly dates with DD "ELLIS" – in each seven days after 28 May till 19 of June 2001 (i.e., 13 of December 2000).
  - = We propose to carry out our next operation on 16 of october 2001 (i.e., 10 of April) at the DD "LINDA" in "Round Tree park" (if this place suits for Your [sic] we would like to receive Your oppinion [sic] about that during exchange in may). A time of operation from 8 pm to 9 pm, signals and schedule of alternate dates are the same. In the course of exchange ops we shall pass to You descriptions of new DD and SS that You can check them before. You will find with this letter descriptions of two new DD "LINDA" and "TOM". Hope to have Your opinion about them. In case of break off in our contacts we propose to use DD "ELLIS", that you indicated in your first message. Your note about a second bridge across the street from the 'F' sign, as back up, is approved. We propose to use "ELLIS" once a year on 12 August (i.e., with coeff. it will be 18 February) at the same time as it was in August 1999. On that day we can carry out a full exchange operation— You will enload your package and put a signal, we shall withdraw it, load our package and put our signal. You will remove our package and put your signal. Alternate dates – in seven days 'til next month.

- = As it appears from your message, you continue to use post channel as a means of communication with us. You know very well our negative attitude toward this method. However if you send by post a short note where date (i.e., with coefficient), time and name of DD for urgent exchange are mentioned, you could do it by using address you had used in September (i.e., with coeff.) putting in a sealed envelope for V.K. In future it is inexpedient to use a V.K. name as a sender. It will be better to choose any well known name in this country as you did it before.
- 3. We shall continue work up [sic] new variants of exchanging messages including PC disks. Of course we shall submit them to your approval in advance. If you use a PC disk for next time, please give us key numbers and program you have used.
- 4. We would like to tell you that an insignificant number of persons know about you, your information and our relationship.
- 5. We assess as very risky to transfer money in Zurich because now it is impossible to hide its origin...

## Newspaper Ads/Telephone Calls

In response to Hanssen's request in the 30 June 1986 letter, the following advertisement appeared in the *The Washington Times* from 14 July 1986, to 18 July 1986:

*DODGE - '71, DIPLOMAT, NEEDS ENGINE WORK, \$1000. Phone (703) 451-9780 (CALL NEXT Mon., Wed., Fri. 1 p.m.).*

The number 703/451-9780 at that time belonged to a public telephone located in the vicinity of the Old Keene Mill Shopping Center in Fairfax County, Virginia. On Monday, 21 July 1986, Hanssen called that number and gave the number 628-8047. Aleksandr Kirillovich Fefelov, a KGB officer assigned to the Soviet Embassy in Washington, DC, took the call.

One hour later, Fefelov telephoned 212/628-8047 and told Hanssen that the KGB had loaded the "PARK" deaddrop site. The KGB mistakenly placed the package under the wrong corner of the wooden footbridge at the "PARK" site.

On 7 August 1986, Degtyar received a letter from Hanssen stating that he had not found the package at the deaddrop site and indicating that he would phone 703/451-9780 on 18, 20, or 22 August. The KGB then retrieved its package from the "PARK" deaddrop site.

On Monday, 18 August 1986, Hanssen telephoned 703/451-9780 and spoke with Fefelov.<sup>3</sup> The latter portion of the conversation was recorded as follows: ([UI] = unintelligible)

Hanssen: *Tomorrow morning?*

FEFELOV: *Uh, yeah, and the car is still available for you and as we have agreed last time, I prepared all the papers and I left them on the same table. You didn't find them because I put them in another corner of the table.*

Hanssen: *I see..*

FEFELOV: *You shouldn't worry, everything is okay. The papers are with me now.*

Hanssen: *Good.*

FEFELOV: *I believe under these circumstances, mmmm, it's not necessary to make any changes concerning the place and the time. Our company is reliable, and we are ready to give you a substantial discount which will be enclosed in the papers. Now, about the date of our meeting. I suggest that our meeting will be, will take place without delay on February thirteenth, one three, one p.m. Okay? February thirteenth.*

Hanssen: [UI] *February second?*

FEFELOV: *Thirteenth. One three.*

Hanssen: *One three.*

FEFELOV: *Yes. Thirteenth. One p.m.*

Hanssen: *Let me see if I can do that. Hold on.*

FEFELOV: *Okay. Yeah.*

[pause]

Hanssen: [whispering] [UI]

FEFELOV: *Hello? Okay.*

[pause]

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Hanssen: [whispering] *Six . . . Six . . .*

[pause]

Hanssen: *That should be fine.*

FEFELOV: *Okay. We will confirm you, that the papers are waiting for you with the same horizontal tape in the same place as we did it at the first time.*

Hanssen: *Very good.*

FEFELOV: *You see. After you receive the papers, you will send the letter confirming it and signing it, as usual. Okay?*

Hanssen: *Excellent.*

FEFELOV: *I hope you remember the address. Is . . . if everything is okay?*

Hanssen: *I believe it should be fine and thank you very much.*

FEFELOV: *Heh-heh. Not at all. Not at all. Nice job. For both of us. Uh, have a nice evening, sir.*

Hanssen: *Do svidaniya.*

FEFELOV: *Bye-bye.*

According to the established “6” coefficient, the operation discussed in this conversation was actually scheduled to occur on 19 August 1986 at 7:00 a.m.

## Deaddrops

### “PARK/PRIME”

In 1985, when Hanssen volunteered to the KGB, he lived on Whitecedar Court in Vienna, Virginia. The first deaddrop site selected by Hanssen was Nottoway Park, which was less than a five-minute walk from his home. Between 1985 and 1989, the Nottoway Park site was used for deaddrops so frequently—17 times—that it was designated by the KGB as the “PARK/PRIME” deaddrop site.

Degtyar received a typed message by mail delivered to his Alexandria residence. The envelope had a handwritten address and postmarked “New York, NY” on 24 October 1985.

The message included the following text:

#### DROP LOCATION

Please leave your package for me under the corner (nearest the street) of the wooden foot bridge located just west of the entrance to Nottoway Park. (ADC Northern Virginia Street Map, #14, D3)

#### PACKAGE PREPARATION

Use a green or brown plastic trash bag and trash to cover a waterproofed package.<sup>4</sup>

#### SIGNAL LOCATION

Signal site will be the pictorial “pedestrian-crossing” signpost just west of the main Nottoway Park entrance on Old Courthouse Road. (The sign is the one nearest the bridge just mentioned.)

#### SIGNALS

My signal to you: One vertical mark of white adhesive tape meaning I am ready to receive your package. Your signal to me: One horizontal mark of white adhesive tape meaning drop filled. My signal to you: One vertical mark of white adhesive tape meaning I have received your package. (Remove old tape before leaving signal.)

The message established a date and times for the signals and drops and concluded, “I will acknowledge amount with my next package.”

The KGB designated this deaddrop site by the codename “PARK.” It is located in Fairfax County, Virginia.

On Saturday, 2 November 1985, the KGB loaded the “PARK” deaddrop site with \$50,000 in cash and a message proposing procedures for future contacts with Hanssen.

On 3 March 1986, the KGB loaded the “PARK” dead drop site, but Hanssen did not appear; therefore, the KGB removed its package from the deaddrop site the same day.

As a result of the conversation between Fefelov and Hanssen on 18 August 1986, the KGB loaded the “PARK” deaddrop site with \$10,000 in cash. They also included proposals for two additional deaddrop sites to be used by Hanssen and the KGB, a new accommodation address codenamed “NANCY,” and emergency communications plans

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for Hanssen to personally contact KGB personnel in Vienna, Austria. Hanssen subsequently cleared the deaddrop.

On Tuesday, 15 September 1987, the KGB loaded the "PARK" deaddrop site with \$10,000 cash. The KGB also proposed two additional deaddrop sites, one codenamed "AN" located in Ellanor C. Lawrence Park in western Fairfax County, Virginia, and another codenamed "DEN" at a different location farther away. The KGB proposed that Hanssen load the deaddrop at "PARK" or "AN" on 26 September 1987, and that the KGB respond by loading "DEN."

The next day the KGB determined that Hanssen had cleared the "PARK" deaddrop and removed the signal.

On 26 September 1987, the KGB recovered from the "PARK" deaddrop site a package from Hanssen. The package contained a handwritten letter reading as follows:

My Friends:

Thank you for the \$10,000. I am not a young man, and the commitments on my time prevent using distant drops such as you suggest. I know in this I am moving you out of your set modes of doing business, but my experience tells me the [sic] we can be actually more secure in easier modes.

Hanssen then suggested an exchange procedure involving a parked car instead of a deaddrop site and a related communications procedure, but stated:

"If you cannot do this I will clear this once 'AN' on your scheduled date (rather than the other)." He then asked the KGB to "Find a comfortable Vienna VA signal site to call me to an exchange any following Monday." He closed the letter, "Good luck with your work", and signed it "Ramon."

The package also contained a document, which the KGB described as having the title, which roughly translates into English, as "National Intelligence Program for 87."

In response to Hanssen's request, the KGB proposed a signal site in Vienna, Virginia, on the

post of a stop sign on the shoulder of Courthouse Road near its junction with Locust Street. This signal site was referred to as "V."

On Monday, 23 November 1987, Hanssen and the KGB carried out an exchange operation at "PARK." The package from Hanssen contained several items. One was a cable-type report about a meeting in October 1987 with a valuable source, whom the KGB referred to as "M." Another was a report about a recent FBI/CIA meeting with a Soviet intelligence officer who was an FBI/CIA recruitment target. The last items were a survey of information provided by Vitaliy Yurchenko and an official technical document describing COINS-II. In 1987, COINS-II was the then-current version of the US Intelligence Community's "Community On-line Intelligence System," which constituted a classified Community-wide Intranet.

The KGB package contained \$20,000 cash and a letter conveying "regards" from the KGB Director and advising that \$100,000 had been deposited in a bank at 6- to 7-percent interest. The letter also asked Hanssen for a variety of specific, classified information. The KGB gave Hanssen two new accommodation addresses and asked him to propose new deaddrop sites.

On Monday, 8 February 1988, Hanssen and the KGB carried out another exchange operation at the "PARK," which the KGB had now renamed "PRIME."

The package to the KGB contained a typed, unsigned letter. In the letter, Hanssen acknowledged receipt of \$20,000 and identified two additional drop sites.

He then went on to provide detailed information concerning a recruited KGB officer who had secretly defected to the United States. He advised the KGB that he had arranged time to review the defector's file. "A full report will follow as soon as possible."

He also provided the identity, by KGB codename and recent specific assignment, of a KGB agent who was currently operating as an illegal in a particular



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US city and who had been recruited by the FBI to serve as a double agent. He then disclosed to the KGB a particular limitation of NSA's ability to read certain Soviet communications.

Enclosed with the letter was the first computer diskette that Hanssen passed to the KGB. Also in the package were classified documents.

The package from the KGB contained \$25,000 cash and a letter conveying thanks of the KGB Chairman, Vladimir Kryuchkov, for the information about the valuable source "M." The KGB also asked Hanssen for more information about "M" and the "agent network" in New York City and about a particular KGB officer.

On the next day, 9 February 1988, the KGB observed that the signal at "PARK/PRIME" had been removed, indicating that Hanssen had cleared the drop.

On Monday, 21 March 1988, the KGB observed a signal from Hanssen at "PARK/PRIME," but was unable to check the deaddrop because strangers were present in the park.

One week later, on Monday, 28 March 1988, Hanssen and the KGB carried out an exchange operation at "PARK/PRIME." The package to the KGB contained Hanssen's fourth computer diskette ("D-4"). It also included a TOP SECRET document entitled "The FBI's Double Agent Program," which contained a detailed evaluation of FBI double agent operations, including joint operations with other US intelligence agencies, and a document that the KGB described as a Director of Central Intelligence (DCI) document entitled "Stealth Orientation."

The package from the KGB included \$25,000 cash and a letter explaining why the KGB had not been able to check the "PARK/PRIME" deaddrop site on 21 March. In the letter, the KGB also advised it had been unable to read the diskettes Hanssen had passed to the KGB. The KGB asked Hanssen for information about codes and cryptograms, intelligence support for the Strategic Defense Initiative, submarines, and other classified material.

The next day, the KGB observed that Hanssen had removed the signal from the "PARK/PRIME" site, indicating he had removed the package.

On Monday, 30 May 1988, a KGB officer arrived at "PARK/PRIME" at 9:03 p.m., three minutes after the end of the prearranged deaddrop exchange period. The KGB officer saw a man who apparently removed the signal, got into his car, and drove away.

Hanssen and the KGB carried out an exchange operation on Monday, 18 July 1988, at "PARK/PRIME." The package from Hanssen contained more than 530 pages of material, including:

- A CIA document concerning intelligence analysis of the effectiveness of Soviet intelligence collection efforts against certain US nuclear weapons capabilities, which analysis directly concerned early warning systems and other means of defense or retaliation against large-scale attack. The document was dated approximately November 1987 and classified TOP SECRET with the caveats NOFORN NOCONTRACT ORCON.
- A DCI document entitled "Compendium of Future Intelligence Requirements: Volume II," dated September 1987, prepared by the Staff of the Intelligence Producers Council, and classified TOP SECRET/SCI with the caveat NOFORN. It contained a comprehensive listing of specific current intelligence information, including information about military capabilities and preparedness, sought by the United States regarding the Soviet Union and other nations.
- A CIA Counterintelligence Staff Study entitled "The Soviet Counterintelligence Offensive: KGB Recruitment Operations Against CIA," dated March 1988 and classified SECRET with the caveats NOFORN NOCONTRACT ORCON. This document contains the following preface: Warning Notice Intelligence Sources or Methods Involved (WNINTEL) National Security Unauthorized Disclosure Information Subject to Criminal Sanctions and

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also specifically defining “NOFORN” as “Not Releasable to Foreign Nationals.”

- A TOP SECRET comprehensive historical FBI review of allegations from recruitments and defectors over a period of years that the Soviet intelligence services had penetrated the US Intelligence Community. It identified Soviet recruitments and defectors with specificity and describes particular information they provided. It contained the following warning:

IN VIEW OF THE EXTREME SENSITIVITY OF THIS DOCUMENT, THE UTMOST CAUTION MUST BE EXERCISED IN ITS HANDLING. THE CONTENTS INCLUDE A COMPREHENSIVE REVIEW OF SENSITIVE SOURCE ALLEGATIONS AND INVESTIGATIONS OF PENETRATION OF THE FBI BY THE SOVIET INTELLIGENCE SERVICES, THE DISCLOSURE OF WHICH WOULD COMPROMISE HIGHLY SENSITIVE COUNTERINTELLIGENCE OPERATIONS AND METHODS. ACCESS SHOULD BE LIMITED TO A STRICT NEED-TO-KNOW BASIS.

The package from the KGB contained \$25,000 cash and a letter asking for information about surveillance systems, the agent network in New York City, illegal intelligence, and several specific FBI recruitment operations. The KGB proposed two new deaddrop and related signal sites. One, named “BOB,” was under a footbridge in Idylwood Park between Vienna and Falls Church, Virginia. The other, named “CHARLIE,” was under a footbridge in Eakin Community Park, south of Vienna. For these deaddrop sites, the KGB instructed Hanssen to load the deaddrops by 9:00 p.m. on the designated day; the KGB would clear it by 10:00 p.m. and load it with a package, which Hanssen was to clear after 10:00 p.m.

The KGB marked the “V” signal site on Courthouse Road in Vienna on 24 March 1989 indicating that Hanssen should pick up a package at “PARK/PRIME” the following Monday. On Monday, 27 March 1989, the KGB loaded the deaddrop with the MASINT document, for return to Hanssen but Hanssen did not clear the drop.

## “AN”

On Sunday, 15 November 1987, the KGB loaded the “AN” deaddrop site with a package. It was not cleared by Hanssen and the KGB retrieved the package on 17 November.

On Thursday, 19 November 1987, the KGB received a handwritten letter from Hanssen. The envelope bore a return address of “G. Robertson” in “Houston” and was postmarked on 17 November 1987. The letter read as follows:

Unable to locate AN based on your description at night. Recognize that I am dressed in business suit and can not slog around in inch deep mud. I suggest we use once again original site. I will place my urgent material there at next AN times. Replace it with your package. I will select some few sites good for me and pass them to you. Please give new constant conditions of recontact as address to write. Will not put substantive material through it. Only instructions as usual format.

Ramon

## “BOB”

On Monday, 26 September 1988, Hanssen and the KGB carried out an exchange operation at “BOB.” The package from Hanssen contained approximately 300 pages of material. Among the material was an FBI memo about a particular individual believed at the time to be a KGB Line KR officer in New York City, information on technical means of Soviet intelligence, a transcript of a Counterintelligence Group meeting, and information on several other matters.

The KGB package contained a diamond valued at \$24,720 and a letter advising Hanssen that \$50,000 had been deposited in his account. The letter also expressed gratitude to Hanssen from the KGB Chairman (Vladimir A. Kryuchov). The letter also discussed communications procedures, security measures, a personal meeting, and passports. It also asked Hanssen to provide information about classified technical operations in the Soviet Union, agent network details, allies’ sources, FBI programs, past cases, and a certain missile technology.

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On Tuesday, 31 January 1989, the KGB observed an emergency call-out signal at a signal site that it had issued to Hanssen located at the intersection of Q Street and Connecticut Avenue, NW, Washington, D.C. By prearrangement, the KGB immediately unloaded a package from Hanssen at "BOB." The package contained a cable, with a note reading:

"Send to the Center right away. This might be useful."

Also in the package was Hanssen's eleventh diskette ("D-11"), which contained comments on the cable, as well as information on several specific individuals about whom the KGB had asked for information.

Espionage does not take a holiday. When every one else was enjoying Christmas Day with their families, Hanssen and the KGB were conducting an exchange operation at "BOB" on Monday, 25 December 1989. After a call-out signal from Hanssen, the KGB retrieved a package from Hanssen, which contained his seventeenth diskette ("D-17") and several documents, including a DCI National Intelligence Estimate entitled "The Soviet System in Crisis: Prospects for the Next Two Years" and dated November 1989. This document was classified SECRET, bore the caveats NOFORN NOCONTRACT WNINTEL, and contained the notice "Unauthorized Disclosure Subject to Criminal Sanctions." He also provided additional documents on the highly sensitive technical penetration of the Soviet establishment.

The diskette contained a message in which Hanssen complimented the KGB's efficient actions and provided current information about several ongoing FBI recruitment operations against Soviet intelligence officers; three new highly protected FBI sources within the KGB and other Soviet entities; and four defectors. He also provided updated information on the Bloch-Gikman matter.

The KGB package contained \$38,000 cash as payment for the period 16-23 October period in addition to compensation for the two returned diamonds and two KGB diskettes. The diskettes contained Christmas greetings from the KGB,

discussed communications plans, and asked Hanssen for specific information about a variety of classified technical operations.

On Monday, 16 December 1991, Hanssen and the KGB carried out an exchange operation at "BOB." The package to the KGB contained several documents, including:

- (A) A DCI Counterintelligence Center research paper entitled "The KGB's First Chief Directorate: Structure, Functions, and Methods," dated November 1990. The document was classified SECRET with the caveats NOFORN NOCONTRACT ORCON. It also bore the following notices: WARNING NOTICE This document should be disseminated only to persons having both the requisite clearances and a need to have access to its contents for performance of their duties. No further distribution or reproduction is authorized without the approval of the Associate Deputy Director for Operations for Counterintelligence, CIA and National Security Unauthorized Disclosure Information Subject to Criminal Sanctions.
- (B) A volume of the DCI Intelligence FY 1992 Congressional Budget Justification Volume X that detailed the programs and resource needs of the FBI's Foreign Counterintelligence Program. The document was classified SECRET with the caveats NOFORN NOCONTRACT ORCON and the warning "Unauthorized Disclosure Subject to Criminal Sanctions."

The package from Hanssen also contained his twenty-sixth diskette ("D-26") in which he expressed embarrassment over the pages missing from his earlier package. He advised that he had been promoted to a position of increase in salary and authority [which] moved him temporarily out of direct responsibility, but a new mission for my new group has not been fully defined" and that "I hope to adjust to that . . . .As General Patton said . . . 'let's get this over with so we can go kick the

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[ ] out of the [ ] Japanese.” He noted that a new mission for his new group had not yet been defined, and he quoted a particular remark by General Patton about the Japanese.

He later quoted the same reference to Japanese in the letter he wrote to the SVR on 8 June 2000. At that time, Hanssen was preparing to assume new duties as Chief of the new National Security Threat List Unit at FBI Headquarters, where he focused the Unit’s counterintelligence efforts on economic espionage. This new assignment resulted in an increase in salary (from GS-14 to GS-15) and authority (Unit Chief). Several FBI employees recall that Hanssen frequently quoted General Patton, and one employee who worked closely with Hanssen specifically remembers Hanssen once using the above-mentioned Patton quote in a discussion with him.

Hanssen discussed communications plans and provided information about various classified technical and operational matters, including again information that the US Intelligence Community was obtaining especially sensitive material from the communications of a specific foreign country. He also proposed a new communications system, in which he would set up an office at a location in town not subject to electronic surveillance, where he and the KGB could communicate directly using a computer that would be specially equipped with certain advanced technology.

The package from the KGB contained \$12,000 cash and a KGB diskette discussing communications plans and asking for specific information about various classified matters.

In one message to “B” the KGB warned him to “Examine from the point of security Your practice of copying materials.”

### **“CHARLIE”**

On Monday, 26 December 1988, Hanssen and the KGB carried out an exchange operation at “CHARLIE.”

The package from Hanssen contained his tenth diskette (“D-10”) and approximately 356 pages of material. On the diskette, Hanssen provided additional classified information.

He also provided six recent National HUMINT Collection Plan (NHCP) documents and a document whose title the KGB noted as “Soviet Armed Forces and Capabilities for Conducting Strategic Nuclear War Until the End of the 1990s.” In addition, he passed a TOP SECRET document on the fact that the United States was targeting a particular category of Soviet communications.

The package from the KGB contained \$10,000 cash, a second diamond valued at \$17,748, and a message in which the KGB asked Hanssen for additional specific information about a wide variety of classified technical and recruitment matters.

The next day, the KGB observed that the signal at the “CHARLIE” site had been removed, indicating Hanssen had removed the KGB’s package.

The “CHARLIE” site was used again after Hanssen marked on Thursday, 16 March 1989, a call-out signal site that the KGB has issued to him, located at the Taft Bridge in Northwest Washington, DC.

On Monday, 20 March 1989, Hanssen and the KGB carried out an exchange operation at “CHARLIE.” Hanssen passed two packages to the KGB.

One contained a TOP SECRET/SCI document entitled “DCI Guidance for the National MASINT Intelligence Program (FY 1991- FY 2000),” prepared by the Measurement and Signature Intelligence (MASINT) Committee and dated November 1988. The document bears the caveats NOFORN and NOCONTRACT and contains the following preface: Warning Notice Intelligence Sources or Methods Involved (WNINTEL) NATIONAL SECURITY INFORMATION Unauthorized Disclosure Subject to Criminal Sanctions.

According to its Introduction, this document contains the MASINT Committee’s

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recommendations to the DCI for the collection, processing, and reporting of MASINT and represents the Intelligence Community's consensus on specific MASINT objectives and studies leading to needed capabilities. Its contents are highly specific and technical. In passing this document to the KGB, Hanssen requested that it be returned.

The second package from Hanssen contained his twelfth computer diskette ("D-12") and approximately 539 pages of materials, including classified information on a variety of matters.

The KGB package contained \$18,000 cash and a third diamond, valued at \$11,700. It also contained a letter that confirmed the KGB had received Hanssen's packages on 26 December and 31 January, discussed a personal meeting, requested new deaddrop sites, and asked how to increase operational security. The KGB also asked Hanssen about his security precautions for the diamonds. (Hanssen told the KGB that he would say the diamonds came from his grandmother.) The KGB also asked for information about a wide variety of technical and operational subjects. The KGB thanked Hanssen for the information he provided on 31 January, and asked him "for everything else that's possible."

On Tuesday, 21 March 1989, the KGB observed that the signal at "CHARLIE" had been removed, indicating that Hanssen had removed the KGB's package.

On Monday, 7 August 1989, after two call-out signals from Hanssen, he and the KGB carried out an exchange operation at "CHARLIE."

In the package from Hanssen were five rolls of film containing highly-restricted TOP SECRET/SCI analysis dated May 1987 of the foreign threat to a specific and named highly-compartmented US Government program to ensure the continuity of government in the event of a Soviet nuclear attack, which analysis directly concerned means of defense or retaliation against large-scale nuclear attack and other elements of defense strategy. Also in the package was his fourteenth diskette ("D-14"), which contained information from the Bloch-Gikman file and several FBI recruitment attempts.

Felix Bloch had been identified as an associate of Austria-based known Soviet illegal Reino Gikman on the basis of a telephone call between them on 27 April 1989. One day later, the FBI opened a classified investigation of Bloch, who at the time was assigned to the State Department in Washington, DC. Meetings between Bloch and Gikman were observed in Paris on 14 May 1989 and in Brussels on 28 May 1989.

In early June 1989, after Hanssen had compromised the Bloch investigation, Gikman suddenly left for Moscow. Early on the morning of 22 June 1989, Bloch received a telephone call at his home in Washington, DC, from a man identifying himself as Ferdinand Paul. According to a recording of that call, Ferdinand Paul told Bloch that he was calling "in behalf of Pierre" who "cannot see you in the near future" because "he is sick" and that "a contagious disease is suspected." (Bloch knew Gikman as Pierre.) Paul then told Bloch, "I am worried about you. You have to take care of yourself."

Having concluded that this call alerted Bloch that his association with Gikman had been compromised, the FBI interviewed Bloch on 22 and 23 June 1989. Bloch denied he had engaged in espionage and ultimately declined to answer any further questions. The FBI was unable further to develop its investigation of Bloch.

Hanssen approved a new deaddrop site that the KGB had proposed, codenamed "DORIS," located under a footbridge in Canterbury Park in Springfield, Virginia.

The KGB's package to Hanssen contained \$30,000 cash and a letter promising to compensate him for the returned diamonds. The KGB rejected his suggestions for an account in Switzerland. The KGB discussed communications plans, and proposed a new deaddrop site, codenamed "ELLIS," under a footbridge over Wolftrap Creek near Creek Crossing Road at Foxstone Park near Vienna, Virginia, with a signal site on the "Foxstone Park" sign.

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The next day, the KGB observed that the signal associated with the “CHARLIE” deaddrop site had been removed, indicating that “B” had retrieved the KGB’s package.

“CHARLIE” was again used on Monday, 5 March 1990, after a call-out signal from Hanssen. Hanssen’s package contained his eighteenth diskette (“D-18”). It contained classified information on a wide variety of topics, including a KGB officer in the Soviet Embassy, a Soviet illegal, and two KGB defectors, who were all serving as FBI-CIA sources; communications intelligence operations; and the identification of a particular named NSA employee and the sensitive office in which the employee worked. The package also contained a 120-page document whose title, according to KGB records, was “Soviet Armed Forces and Strategic Nuclear Capabilities for the 1990s,” dated February 1990.

The package from the KGB contained \$40,000 cash and a KGB diskette. The diskette discussed communications plans and asked Hanssen to provide information on a wide range of classified technical, operational, and recruitment matters. The KGB also asked Hanssen what the Soviets could use of the certain highly classified and sensitive program information he had previously disclosed.

On Saturday, 2 February 1991, in response to an emergency call-out signal from Hanssen, the KGB retrieved a package from “CHARLIE.” The package contained Hanssen’s twenty-first diskette (“D-21”), which included a letter in which “B” acknowledged receipt of the \$40,000, which he characterized as “too generous.”

He disclosed to the KGB that the FBI’s chief of counterintelligence in the New York Field Office had told him that the FBI had recruited a specific number of sources at a particular Soviet establishment. Hanssen also advised that he would be ready for an operation on 18 February 1991.

In exchange, the KGB left a package for Hanssen but he did not pick it up and the KGB later retrieved it.

The KGB reloaded “CHARLIE” on Monday, 18 February, with the package Hanssen did not retrieve previously. It contained \$10,000 cash and a KGB diskette. The diskette established two new deaddrop sites, one of which was codenamed “GRACE” and located under a footbridge in Rock Creek Park in Washington, DC. It also asked Hanssen to provide specific classified technical and operational information, and instructed that the next contact would be at the “DORIS” site.

### “DORIS”

On Monday, 25 September 1989, Hanssen and the KGB carried out an exchange operation at “DORIS.” The package to the KGB contained approximately 80 pages of material, including part of a document concerning a highly sensitive United States technical penetration of a particular Soviet establishment classified at the TOP SECRET/SCI level. In passing this document, Hanssen compromised a program of enormous value, expense, and importance to the United States. In addition, another document concerned a technical operation against a specific foreign target classified TOP SECRET and directly concerned communications intelligence. Also in the package was his fifteenth diskette (“D-15”), containing additional classified information. The package from the KGB contained \$30,000 cash, a letter, and, for the first time from the KGB, a computer diskette.

The “DORIS” drop was not used again until Monday, 7 May 1990, after a call-out signal from Hanssen. The package from Hanssen contained his nineteenth diskette (“D-19”) and approximately 232 pages of material, including another document on the tightly compartmented classified program to ensure the continuity of the US Government in the event of a Soviet nuclear attack, which Hanssen had informed the KGB in a document passed to them on 7 August 1989.

Hanssen also gave the KGB permission to use the certain highly classified and sensitive program information he had previously disclosed. Hanssen also advised that because of a promotion he

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would be traveling for one year, and he discussed communications plans and a method of renewing contact. [NOTE: In May 1990, Hanssen was reassigned from the Soviet Analytical Unit in the Intelligence Division to the Inspection Division at FBI Headquarters. An Inspection Division assignment is a typical feature of an FBI supervisory agent's career path and requires frequent travel to FBI field offices for inspections. While serving in this assignment, Hanssen traveled frequently from June 1990 through June 1991 to conduct inspections in various FBI offices.]

The KGB package to Hanssen contained \$35,000 cash and a KGB diskette. The diskette contained communications plans and identified a new deaddrop site, codenamed "FLO," located under a footbridge in Lewinsville Park near the intersection of Warner Avenue and Westbury Road in McLean, Virginia, and a nearby signal site. The diskette also contained specific requests for information, including operational leads and materials on recruitments of Soviets. It read, in part, as follows:

Dear Friend:

. . . We attach some information requests which we ask Your kind assistance for. We are very cautious about using Your info and materials so that none of our actions in no way causes [sic] no harm to Your security. With this on our mind we are asking that sensitive materials and information (especially hot and demanding some actions) be accompanied by some sort of Your comments or some guidance on how we may or may not use it with regard to Your security. We wish You good luck and enclose \$35,000. Thank you.

Sincerely,

Your friends.

In response to a call-out signal from Hanssen, he and the KGB executed an exchange operation on Monday, 15 April 1991 at "DORIS." The package to the KGB contained his twenty-second diskette ("D-22") in which he confirmed receipt of cash. Hanssen also provided classified FBI material about a specific recruitment operation about which the KGB had previously asked. The package from the KGB contained \$10,000 and a KGB diskette that read, in part, as follows:

Dear Friend:

Time is flying. As a poet said: "What's our life, If full of care You have no time To stop and stare?" You've managed to slow down the speed of Your running life to send us a message. And we appreciate it. We hope You're O'K and Your family is fine too. We are sure You're doing great at Your job. As before, we'll keep staying alert to respond to any call from You whenever You need it. We acknowledge receiving one disk through CHARLIE. One disk of mystery and intrigue. Thank you.

Not much a business letter this time. Just formalities. We consider Site-9 cancelled. And we are sure You remember: our next contact is due at ELLIS. Frankly, we are looking forward to JUNE. Every new season brings new expectations. Enclosed in our today's package please find \$10,000. Thank You for Your friendship and help. We attach some information requests. We hope You'll be able to assist us on them. Take care and good luck.

Sincerely,

Your friends.

The KGB asked for information about several specific classified matters, including US Intelligence Community plans to respond to domestic turmoil in the Soviet Union and new United States communications intelligence efforts.

#### **"ELLIS"**

In November 1985, Hanssen sold his home on Whitecedar Court when he moved to New York to undertake his new assignment in the FBI field office there. He returned to FBI Headquarters in August 1987, and moved into a home at 9414 Talisman Drive, Vienna, Virginia, which he had bought in July 1987.

In August 1989, the KGB designated drop site "ELLIS," located near Foxstone Park in Vienna, Virginia. The frequent use of this site—at least seven times—illustrates that it might have been chosen for its convenience. Hanssen told the KGB in October 1989 that the KGB could use the "ELLIS" site at any time. In fact, the "ELLIS" site is an approximately one-mile walk from HANSEN's Talisman Drive residence.

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Hanssen and the KGB first used the “ELLIS” dead drop on Monday, 23 October 1989. The package to the KGB contained an exact duplicate of the sixteenth diskette (“D-16”), which Hanssen had sent by mail the week before. The diskette contained additional classified information about the US capability to read certain Soviet communications and recruitment matters. Hanssen requested the KGB to load the “ELLIS” site at any time, and advised that he would check the signal site periodically about the loading.

The KGB package contained \$55,000 cash and a letter advising Hanssen that \$50,000 had been deposited into his escrow account in Moscow. Hanssen never signaled that he had cleared this dead drop, and on October 26 the KGB retrieved its package.

The KGB reloaded “ELLIS” on Tuesday, 31 October 1989. Besides the package containing the \$55,000 in cash, the KGB also passed its second diskette. The diskette provided a new accommodation address and instructions to Hanssen on how to inform the KGB of which materials should be opened by the KGB in Washington, D.C., and which should go to the Center. It again conveyed regards from the KGB Chairman and made extensive requests for additional information concerning particular United States intelligence activities targeting the Soviet Union.

On 11 November 1989, the KGB observed that the “ELLIS” signal site was removed, indicating that Hanssen had removed the KGB’s package.

On Monday, 21 May 1990, the KGB loaded the “ELLIS” deaddrop site with a package containing two KGB diskettes, and marked a call-out signal for Hanssen. Hanssen picked up the KGB’s package, but did not leave one for the KGB. The KGB diskettes contained a letter that discussed in detail communications plans and recontact procedures. It read, in part:

Dear Friend:

Congratulations on Your promotion. We wish You all the very best in Your life and career. We appreciate Your sympathy for some difficulties our people face - Your friendship and understanding are very important to us. Of course You are right, no system is perfect and we do understand this. Speaking about the systems. We don’t see any problem for the system of our future communications in regard to this new circumstances of Yours. Though we can’t but regret that our contacts may be not so regular as before, like You said. We believe our current commo plan - though neither perfect - covers rather [sic] flexibly Your needs: You may have a contact with us anytime You want after staying away as long as You have to. So, do Your new job, make Your trips, take Your time. The commo plan we have will still be working. We’ll keep covering the active call out signal site no matter how long it’s needed. And we’ll be in a ready-to-go mode to come over to the drop next in turn whenever You are ready: that is when You are back home and decide to communicate. All You’ll have to do is to put Your call out signal, just as now. And You have two addresses to use to recontact us only if the signal sites for some reason don’t work or can’t be used. . . . But in any case be sure: You may have a contact anytime because the active call out site is always covered according to the schedule no matter how long you’ve been away. . . . Thank You and good luck.

Sincerely,

Your friends.

The KGB particularly asked Hanssen to “give us some good leads to possible recruitments” among “interesting people in the right places.” The KGB also asked for information about a Soviet Embassy employee who Hanssen had previously identified as an FBI recruitment-in-place, and whom the KGB believed was about to defect.

On Monday, 15 July 1991, after a call-out signal from Hanssen, he and the KGB completed an exchange operation at “ELLIS.” The package from Hanssen contained his twenty-third diskette (“D-23”) and approximately 284 pages of material.

The diskette read, in part, “I returned, grabbed the first thing I could lay my hands on” and “I was in a hurry so that you would not worry, because June has passed, they held me there longer.” He also noted that he had at least five years until retirement—he was eligible for retirement in



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1996—and remarked “Maybe I will hang in there for that long.” Hanssen also reported on a particular FBI-CIA operation. The classified documents passed included FBI documents, human intelligence plans, and documents concerning nuclear and missile weapons proliferation.

Hanssen returned on 24 May 1991 from a lengthy overseas inspection tour.

The package from the KGB contained \$12,000 cash and a KGB diskette reading, in part, as follows:

Dear friend:

Acknowledging the disk and materials . . . received through “DORIS” we also acknowledge again Your superb sense of humor and Your sharp-as-a-razor mind. We highly appreciate both. Don’t worry. We will not steam out incorrect conclusions from Your materials. Actually, Your information gratefully [sic] assisted us in seeing more clearly many issues and we are not ashamed to correct our notions if we have some. So, thank You for Your help. But if some of our requests seem a bit strange to You, please try to believe us there were sufficient reasons to put them and that what we wanted was to sort them out with Your help.

In regard to our “memo” on Your security. Just one more remark. If our natural wish to capitalize on Your information confronts in any way Your security interests we definitely cut down our thirst for profit and choose Your security. The same goes with any other aspect of Your case. That’s why we say Your security goes first. . . . We are sure You remember our next contact is due at “FLO”. As always we attach some information requests, which are of current interest to us. We thank You and wish You the very best.

Sincerely,

Your friends.

Enclosed in the package please find \$12,000.

The KGB provided new communications plans and made numerous specific requests for classified technical, operational, and recruitment matters. The KGB also asked follow-up questions about information Hanssen had previously provided, and requested specific United States Intelligence Community activity toward the Soviet Union.

## “FLO”

As requested by Hanssen the KGB loaded “FLO” on Monday, 3 September 1990, with a package containing \$40,000 cash, and a KGB diskette containing a letter, which identified more call-out signal sites and contained numerous specific requests for classified information. The letter noted that some of the materials Hanssen had provided about “political issues of interest . . . were reported to the very top.” Hanssen subsequently picked up the KGB’s package.

On Monday, 19 August 1991, after a call-out signal from Hanssen, he and the KGB carried out an exchange operation at “FLO.” The package to the KGB contained a recent FBI memorandum concerning a proposed technical surveillance operation of a particular Soviet intelligence officer.

On 1 July 1991, Hanssen returned to the Intelligence Division at FBI Headquarters (after his tour of duty on the Inspection Staff) and became the Headquarters supervisor responsible for FBI coverage of this suspected Soviet intelligence officer.

The package also included the fact that the FBI was initiating a “dangle” operation against the Soviets at a particular named US military facility. Another document provided information that NSA was reading communications of a specific foreign country and the specific methods used to do so.

In addition, the package contained Hanssen’s twenty-fourth diskette (“D-24”) on which he discussed communications plans and provided information about classified technical and operational matters. On this diskette, he also discussed how the Soviet Union could benefit from a thorough study of the period of Chicago’s history when Mayor Richard J. Daley governed the city.

The package from the KGB contained \$20,000 cash and a message welcoming Hanssen back from his overseas inspection trip saying, “it’s great for you to touch the green, green grass of home.” They advised that the next exchange would be at the “GRACE” dead drop site.

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## “GRACE”

On Monday, 7 October 1991, after a call-out signal from Hanssen, he and the KGB carried out an exchange operation at “GRACE.” The package to the KGB contained his twenty-fifth diskette (“D-25”) and a classified document entitled “The US Double-Agent Program Management Review and Policy Recommendations” dated 10 September 1991. On the diskette, Hanssen provided information about various classified recruitment operations. He also identified by name a particular “old friend” whom he suggested the KGB try to recruit; he explained that the man was a military officer who had recently been told he would not be promoted. (Hanssen has been friends with this individual since he was a teenager.)

The package from the KGB contained \$12,000 cash and a KGB diskette reading, in part, as follows:

Dear friend:

Thanks for the package of 02.13. [The] materials are very promising, we intend to work on the scenario so wisely suggested by You. And the magical history tour to Chicago was mysteriously well timed. Have You ever thought of foretelling the things? After Your retirement for instance in some sort of Your own “Cristall [sic] Ball and Intelligence Agency” (CBIA)? There are always so many people in this world eager to get a glimpse of the future.

But now back to where we belong. There have been many important developments in our country lately. So many that we’d like to reassure You once again. Like we said: we’ve done all in order that none of those events ever affects Your security and our ability to maintain the operation with You. And of course there can be no doubt of our commitment to Your friendship and cooperation which are too important to us to loose [sic]. . . . Please note: our next contact is due at HELEN.

Enclosed in the package please find \$12,000 and attached as always are some information requests which we’d ask Your kind attention to. Thank You and good luck.

Sincerely,

Your friends.

The KGB provided new communications plans and asked for specific information about a variety of classified technical, operational, and analytical matters. The KGB also asked for the current 1991 issue of a particular document reporting on Soviet knowledge of United States satellite reconnaissance systems, commenting that “It’s fun to read about the life in the Universe to understand better what’s going on on our own planet.” Asking about some pages that appeared to be missing from Hanssen’s July package, the KGB noted, “Sometimes it happens, we understand. Life is becoming too fast.”

## “LEWIS”

On 12 February 2001, FBI surveillance personnel checking the “LEWIS” deaddrop site found a package concealed at the site. FBI personnel removed the package and transported it to the FBI Laboratory, where it was opened, its contents were examined and photocopied, and it was restored to an apparently intact condition. The package was then replaced at the deaddrop site. The package contained \$50,000 in used \$100 bills and a typed note reading “Next 10/31/01 TOM alt. 20,27.” These were wrapped in white paper, which was taped, and which in turn was wrapped in a taped-up black plastic trash bag inside a second black plastic trash bag.

### Escrow Account in Moscow

On 29 September 1987, the KGB deposited \$100,000 into an escrow account established for Hanssen in a Soviet bank in Moscow.

On 22 August 1988, the KGB deposited \$50,000 in an escrow account at a Moscow bank.

The KGB deposited another \$50,000 into Hanssen’s escrow account in a Moscow bank on 17 August 1989.

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## The End Game

FBI surveillance personnel observed Hanssen driving four times past the Foxstone Park sign on Creek Crossing Road in Vienna, Virginia, on Tuesday evening, 12 December 2000. The Foxstone Park sign is the signal site associated with the “ELLIS” deaddrop site.

That same evening FBI surveillance personnel observed Hanssen walking into a particular store at a shopping center near Foxstone Park at the same time as a known SVR officer was in front of the store.

Two weeks later, on Tuesday, 26 December 2000, FBI surveillance personnel observed Hanssen three times at the Foxstone Park signal site:

1. At approximately 5:42 p.m., Hanssen stopped his vehicle in front of the Foxstone Park sign for approximately 10 to 15 seconds.
2. At approximately 8:53 p.m., Hanssen parked his car on a street off Creek Crossing Road and walked to the Foxstone Park signal site. Hanssen stopped in front of the Foxstone Park sign, holding a lit flashlight, and swept the flashlight beam in a vertical motion over some wooden pylons located near the sign, between the road and the sign. He appeared to the FBI surveillance personnel to focus his flashlight beam on one of the pylons. He then turned and walked away, shrugging his shoulders and raising his arms in a gesture of apparent disgust or exasperation. Hanssen returned to his vehicle and drove away to a nearby Tower Records store.
3. At approximately 9:32 p.m., Hanssen drove back to the Foxstone Park signal site, stopped his vehicle in front of it for approximately two to three seconds, and then drove away.

During January 2001, FBI surveillance personnel observed Hanssen driving pass the Foxstone Park signal site—either slowing or stopping at the site—on three occasions.

1. At approximately 8:18 p.m. on Tuesday, 9 January 2001, Hanssen drove to the Foxstone Park signal site, came to a complete stop in front of it for approximately 10 seconds, then drove away.
2. Shortly before 6:00 p.m. on Tuesday, 23 January 2001, Hanssen drove pass the Foxstone Park signal site, came to a rolling stop near it and then drove away.
3. After 5:00 pm on Friday, 26 January 2001, Hanssen drove pass the Foxstone Park signal site, slowing down near it.

On 30 January 2001, pursuant to court authorization, the FBI searched Hanssen’s Ford Taurus automobile, and found the following:

1. In the glove compartment were a roll of white Johnson & Johnson medical adhesive tape and a box of Crayola colored chalk containing 12 pieces of chalk.
2. In one of four cardboard boxes in the trunk were seven classified documents printed from the FBI’s Automated Case Support (ACS) system. Several pertained to ongoing FBI foreign counterintelligence investigations and were classified SECRET.
3. In another cardboard box in the trunk were six green fabric-covered US Government notebooks containing classified information.
4. Also in the trunk were a roll of Superior Performance Scotch clear mailing tape, and dark-colored Hefty garbage bags.

These items were not removed, although small samples were taken, and they were photographed.

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On the evening of Monday, 5 February 2001, FBI surveillance personnel observed Hanssen driving pass the Foxstone Park signal site three times between approximately 5:37 p.m. and approximately 7:44 p.m. That same day, pursuant to court authorization, the FBI searched Hanssen's current personal office within Room 9930 at FBI Headquarters. Hanssen's briefcase, located in the office, contained (1) his current valid US tourist passport; (2) a personal address book; (3) several personal checkbooks; (4) multiple sets of financial statements; (5) one computer floppy disk; (6) one 8MB Versa Card Flash Memory Adapter, which is a memory storage card for a computer; and (7) one cell phone. These items were photographed, duplicated, or otherwise recorded, but not removed or altered. Upon examination, the FBI determined that the memory storage card contained several letters associated with the "B" operation. Because these letters were found in Hanssen's possession proved that Hanssen was "B."

On 12 February 2001, pursuant to court authorization, the FBI again searched Hanssen's Ford Taurus automobile. In addition to the items described in part (1) of the foregoing paragraph, the glove compartment contained a small plastic box containing thumbtacks of various colors, including yellow and white. It was further ascertained that at least one of the pieces of chalk was pink. These items were not removed, although small samples were taken, and they were photographed. During this search, Hanssen's briefcase was observed in the vehicle, but it was not removed.

At approximately 4:21 p.m. on 18 February 2001, FBI surveillance personnel observed Hanssen drive his car into the parking lot of the Pike 7 Plaza shopping center at Route 7 and Gosnell Road at Tysons Corner, Virginia. He stopped his car, got out, walked to the trunk and opened it. He removed a black plastic trash bag into which he placed something. He got back into his car and, after a brief period, drove away.

Thirteen minutes later, Hanssen arrived at the ELLIS signal site. He got out of his car and placed a piece of white adhesive tape on the Foxstone

Park sign, then began to walk into the wooded park in the direction of a footbridge. Approximately nine minutes later, Hanssen walked back out of the wooden area, where the FBI arrested him. When arrested, Hanssen was carrying his FBI credentials and a small roll of white adhesive tape.

FBI agents recovered from under the footbridge a package wrapped in a taped black plastic trash bag. The package was taken to the FBI laboratory where it was photographed, opened, and its contents examined.

Inside the package was a computer diskette containing an encrypted letter, which, when decrypted, read as follows:

Dear Friends:

I thank you for your assistance these many years. It seems, however, that my greatest utility to you has come to an end, and it is time to seclude myself from active service.

Since communicating last, and one wonders if because of it, I have been promoted to a higher do-nothing Senior Executive job outside of regular access to information within the counterintelligence program. It is as if I am being isolated. Furthermore, I believe I have detected repeated bursting radio signal emanations from my vehicle. I have not found their source, but as you wisely do, I will leave this alone, for knowledge of their existence is sufficient. Amusing the games children play. In this, however, I strongly suspect you should have concerns for the integrity of your compartment concerning knowledge of my efforts on your behalf. Something has aroused the sleeping tiger. Perhaps you know better than I.

Life is full of ups and downs.

My hope is that, if you respond to this constant-conditions-of-connection message, you will have provided some sufficient means of re-contact besides it. If not, I will be in contact next year, same time same place. Perhaps the correlation of forces and circumstances then will have improved.

Your friend,

Ramon Garcia.

Also inside the package were seven FBI documents printed from the FBI's ACS system, classified SECRET and dated from October through December 2000, relating to recent activity in ongoing FBI foreign counterintelligence investigations against Russia targets.

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On 10 May 2002, Robert P. Hanssen was sentenced to life in prison without parole for two decades of spying for Moscow. The 58-year-old former FBI counterintelligence agent read a short, carefully worded statement in an Alexandria, Virginia, Federal courtroom apologizing for his betrayals of his family and country. Hanssen, a 25-year veteran of the FBI, evaded detection for decades and caused incalculable damage to US intelligence efforts. A plea agreement in July 2001 spared Hanssen the death penalty in exchange for his cooperation. The CIA and Justice Department have “serious reservations” about Hanssen’s cooperation during repeated interrogations, but FBI investigators are satisfied with his level of cooperation. Under the plea agreement, Hanssen’s wife will receive the survivor’s portion of his FBI pension and retain the family home in Vienna, Virginia.

## Endnotes

<sup>1</sup> The Komitet Gosudarstvennoy Bezopasnosty, known as the KGB, was the intelligence service of the Soviet Union. In December 1991, the Sluzhba Vneshney Razvedki Rossia, known as the SVR, assumed the foreign intelligence functions of the former KGB for the Russian Federation. Both terms are used in this document to refer to activities of either the KGB or the SVR.

<sup>2</sup> The ACS is the FBI’s collected computerized databases of investigative files and indices. ACS came online in October 1995. The main and most extensive ACS database is the Electronic Case File (ECF), which contains electronic communications and certain other documents related to ongoing FBI investigations, programs, and issues and the indices to those documents. It is the equivalent of a closed FBI Intranet. ACS users can access individual files by making full-text search requests for particular words or terms. FBI personnel who are “approved users” of ACS, including Hanssen, must log on with a user identification number and password unique to each user. Retrieval logs make it possible to conduct audits of individuals’ use of ACS.

<sup>3</sup> The FBI recorded a portion of the 18 August 1986 telephone call between KGB Officer Aleksander Fefelov and “B.” Two FBI analysts, who worked closely and routinely with Hanssen for at least five years, listened to both the recording and an FBI-enhanced version of the recording in which background noise was minimized. They have both concluded without reservation that the voice of “B” is that of Hanssen.

<sup>4</sup> When “B” made deaddrops to the KGB/SVR, he would place the contents of the drop in a plastic garbage bag, which he would wrap with tape. The plastic bag would then be placed inside a second garbage bag. The FBI came into possession of the inner plastic bag used by “B” on one occasion to wrap the contents of a package to the KGB. A FBI fingerprint examiner conducted an examination of the plastic bag and ascertained that it contains two latent fingerprints of comparison value. The examiner determined that these two fingerprints are those of Hanssen.

## Russian Counterintelligence Begins Comeback

*20 December 2001 marked the 84<sup>th</sup> anniversary of the Cheka—the Soviet secret police.*

### Introduction

The history of the Soviet Union/Russia is a history of its state security establishment. In no other country has intelligence and security services performed such a crucial or extensive mission in sustaining a government, so manipulated the lives and destiny of its citizens, or been so committed in enforcing the will of the governing on those being governed. The first of many internal security groups was the Cheka, which Vladimir Lenin used to consolidate the Communist hold on the Soviet Union. According to Lenin, no law except the defense of the revolution bound the Cheka.

Since the turbulent days of the Cheka, the Soviet state security organs, with its periodic name changes, remained the Communist Party's primary instrument for maintaining itself in power, and counterintelligence has always been the key element to protect the government. Its task is to identify domestic opponents, neutralize opposition to the government, control the media, and protect state secrets where anything can be defined as a state secret. While counterintelligence monitors foreign representatives and travelers, its overwhelming focus is on national problems.

After the fall of the Soviet Union, the KGB was abolished and its responsibilities distributed to several agencies. The SVR inherited the foreign intelligence role, FAPSI (Federal Agency for Government Communications) inherited the SIGINT intercept role, and the Border Guards maintained its watch over the borders but as a separate agency.

The internal security functions previously performed by the KGB's Second, Third, and Fifth Chief Directorates and the Seventh Directorate were initially assigned to a new Ministry of Security, Ministerstvo Bezopasnosti Ruskii

(MBR). Col. Gen. Viktor Barranikov, a career law-enforcement officer who joined the Ministry of Internal Affairs (MVD-Ministerstvo Vnutrennikh Del) in 1961, directed the MBR. Barranikov reported to the Russian Federation Security Council—established in April 1992. Press reports placed the number of MBR staff members at 137,900 as of mid-1992.

### Yeltsin Begins CI Reorganization

In December 1991, Yeltsin issued a decree merging the MBR (then called the Federal Security Agency) with the MVD. The two agencies were to coexist as the Ministry of Security and Internal Affairs. However, after reviewing the merger decree, the Russian Constitutional Court declared it unconstitutional and advised Yeltsin to annul it. He complied.

Although Yeltsin complied with the court's decision, his administration was not happy. Sergei Shakray, legal adviser to Yeltsin, criticized the court for exceeding its mandate by questioning an administrative decision fully within the President's authority to make. Interestingly, a Constitutional Court Justice argued that a merged security agency would be more difficult to supervise than two separate organizations. Although the Yeltsin circle never elaborated their counter-argument—that unification under the right leader would permit faster reform and reduce costs—Yeltsin did, however, appoint Barranikov and Viktor Yerin, the presumed senior managers of the joint agency, as head of the MBR and the MVD, respectively.<sup>1</sup>

In February 1992, the parliament undertook a study to recommend the manner in which effective political control over the MBR could be ensured.

The Ministry of Security was responsible for analyzing threatening foreign situations, conducting counterintelligence and collecting intelligence in cooperation with the SVR, monitoring and protecting joint economic ventures, and defending the military forces and foreign establishments in Russia, as well as space,

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engineering, army, and strategic assets. However, despite its broad mandate, the MBR was said to not monitor the political activity of Russian citizens.

But in the fall of 1992, the MBR detained Vil Mirzayanov on the charge of disclosing state secrets. Mirzayanov had publicly written that Russia was working on a nerve gas weapon, which questioned Yeltsin's statement in January 1992 that Russia would comply with the US-Soviet agreement on nonproliferation of chemical weapons. Vladimir Uglev, who was one of the chief chemical weapons designers, corroborated Mirzayanov's allegations though no charges were filed against Uglev for revealing state secrets because he had deputy's immunity as an elected official.

After President Yeltsin became uncertain of the Ministry's loyalties during his struggle with parliament, the MBR was disbanded in December 1993 and replaced by the Federal Counterintelligence Service [Federal'naya Sluzhba Kontr-razvedky - FSK].

On 3 April 1995, Yeltsin signed a new law, passed by the Duma, to create the Federal Security Service (FSB—Federalnaya Sluzhba Bezopasnosti) to replace the FSK. Under the new law, the FSB had enhanced authority to combat the Russian Mafia, almost unlimited authority to conduct operational searches and the approval to conduct foreign intelligence operations.

In mid-1995, Yeltsin decided he needed to take action against the FSB. The security agency's failures in Chechnya and the mid-June Budennovsk hostage drama were the most obvious grounds for Yeltsin's shakeup. The shakeup was also motivated by Yeltsin's perception that the FSB was insufficiently loyal to him politically. The day after the 29 June 1995 Security Council meeting at which Yeltsin criticized the FSB for failure to prevent the Budennovsk attack, Yeltsin accepted Sergey Stepashin's resignation as FSB director.<sup>2</sup>

## **Barsukov Takes FSB's Reins**

On 24 July 1995, Yeltsin chose his own close protege Mikhail Barsukov to head the FSB.<sup>3</sup> When Yeltsin presented the new director to FSB leaders on 24 July,<sup>4</sup> he delivered a 50-minute speech calling on the FSB to work more effectively<sup>5</sup> and harshly criticizing Stepashin and FSB Deputy Director Igor Mezhakov, who supervised Chechen operations as deputy director for crisis situations.<sup>6</sup>

Yeltsin apparently also had other, more political grounds for dissatisfaction with the FSB under Stepashin, however, as his close proteges Aleksandr Korzhakov and Barsukov were clearly critical of Stepashin and his agency. FSB personnel, in turn, apparently resented the power of Korzhakov's Security Service of the President (SBP) and Barsukov's Main Protection Directorate (GUO), which had taken over some former KGB functions well beyond those of protection agencies (for example, control of the Alfa antiterrorism unit).

Even before the Chechen war, relations between Stepashin and his FSB and Korzhakov were bad, and Yeltsin reportedly threatened to merge the FSB with the SBP and GUO.<sup>7</sup>

The December 1994 raid on the Most Bank by Korzhakov's SBP and Barsukov's GUO led to a shootout with the Moscow FSB and to Yeltsin's firing—at the urging of Korzhakov and Barsukov—Stepashin's deputy, Yevgeniy Savostyanov, as Moscow FSB chief. Stepashin reportedly threatened to resign in protest.<sup>8</sup>

The failures in Chechnya increased Yeltsin's dissatisfaction with FSB work and spurred further rumors of a shakeup.<sup>9</sup> Stories were later spread that Stepashin was hesitant even to order an all-out hunt for Chechen rebel leader Dzhokhar Dudayev, fearing heavy loss of life in such an effort.<sup>10</sup>

Resentment against Barsukov and Korzhakov was openly expressed by intelligence specialists formerly associated with the security agencies in a White Book of Russian Special Services (Belaya Kniga Rossiyskikh Spetssluzhb) printed

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in July 1995. The book's authors complained that Korzhakov's SBP and Barsukov's GUO had taken over some of the old KGB functions that, they felt, legitimately belonged to the FSB. They criticized Korzhakov's SBP for becoming a "powerful mini-KGB," with Korzhakov seeking the role of "doyen" of the whole security community. They also complained that the SBP had been given the right to conduct investigations and the right to oversee arms sales, foreign currency exchange, and other "profitable spheres" of economic activity.

The book's authors criticized the subordination of the FSB directly to the president (pages 31, 44-45). Among the many authors listed as contributing to the book were Stepashin and former KGB leaders Vladimir Kryuchkov and Fedor Bobkov. Aleksey Podberezkin—a leading Communist Party official and no friend of the Yeltsin regime, who may have unduly emphasized the complaints against Yeltsin and his aides, headed the collective of authors that actually drafted the book.

Yeltsin's appointment of Barsukov led to a number of other high-level personnel changes in the FSB. He accompanied his appointments with a 24 July 1995 edict decreeing that the FSB would now have two first deputy directors—it had only one previously—and six deputy directors.<sup>11</sup>

At the same time he appointed Barsukov, Yeltsin appointed a new first deputy, Col. Gen. Viktor Zorin, chief of the Directorate for Counterintelligence Operations.<sup>12</sup> As head of the FSB's biggest unit,<sup>13</sup> Zorin was well acquainted with FSB operations and could aid the outsider Barsukov as he took over.<sup>14</sup> Zorin reportedly had the support of Korzhakov,<sup>15</sup> having gained Korzhakov's favor by suggesting a coordination agreement between the SBP and FSK in May 1994 that appeared to enhance the SBP's status.<sup>16</sup>

In addition to Zorin, Yeltsin promoted Anatoliy Trofimov, head of the Moscow FSB, from deputy director to first deputy director. Trofimov, who was viewed as willing to follow Korzhakov's lead, was only six months before named Moscow security

chief and FSK deputy director to replace Yevgeniy Savostyanov, who had been fired. The then present deputy director Anatoliy Safonov, who had been acting director since Stepashin's removal, was left without a job.<sup>17</sup>

Yeltsin's appointment of Barsukov engendered little public criticism despite its apparent boost to Korzhakov, whose empire-building and reputed influence with Yeltsin had been repeatedly attacked in the Moscow press. Presidential Administration Leader Sergey Filatov, who had demonstrated concern over Korzhakov's growing power, praised Barsukov's management of the GUO, predicted he would run the FSB well also, and denied that Barsukov's appointment would mean that the FSB would be used to help the president's reelection.<sup>18</sup> Duma Security Committee Chairman Viktor Ilyukhin, usually a hardline critic of Yeltsin, called the appointment "natural" and did not publicly criticize it.<sup>19</sup>

A second round of changes occurred in September, when Yeltsin and Barsukov fired Deputy Director Mezhakov, Chief of the Directorate for Fighting Terrorism; Gen. Anatoliy Semenov; and Stavropol FSB Chief Romanov,<sup>20</sup> apparently as scapegoats for Chechnya and Budennovsk. Barsukov confirmed that they had been removed "by a presidential decree after the events in Budennovsk."<sup>21</sup> Mezhakov's removal was particularly noteworthy because he is the brother-in-law of the powerful First Deputy Premier Igor Soskovets<sup>22</sup> and had headed the FSK Cadres Directorate before being promoted to deputy director and put in charge of Chechnya.<sup>23</sup> He also fired Colonel Semenov, FSB Chief of the Directorate for Combating Terrorism.

Also in September, Barsukov fired Maj. Gen. Anatoliy Krayushkin, chief of the Directorate for Registration and Archives, for failures in his work.<sup>24</sup> Several of Krayushkin's subordinates had been arrested for illegally issuing visas.<sup>25</sup> Krayushkin, like the dismissed Semenov and Mezhakov, was a member of the collegium of the FSB and thus became the third member of this 12-man body to be removed under Barsukov.<sup>26</sup>



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In addition to personnel changes, Barsukov began making changes in FSB structure, with Yeltsin's mandate to strengthen the FSB and expand its powers and activities. The confirmed changes were all related only to Chechnya and the threat of terrorism.

To build up an antiterrorism force in the FSB, the Alfa antiterrorist unit formerly in the KGB was transferred from the GUO to the FSB. While the early August Yeltsin edict ordering this transfer was not published, Barsukov reportedly read the order to Alfa personnel,<sup>27</sup> and the transfer was confirmed by a GUO spokesman on 11 August.<sup>28</sup> Sergey Goncharov, president of the Alfa Veterans Association, credited Barsukov with returning Alfa from the GUO.<sup>29</sup>

Shortly afterward, it was decided to create a new Anti-Terrorism Center out of the Directorate for Combating Terrorism and the Alfa unit.<sup>30</sup> A 14 September Yeltsin edict named First Deputy-Director Zorin chief of the Anti-Terrorism Center.<sup>31</sup> Barsukov reported to Yeltsin on progress in creating the Anti-Terrorism Center on 18 September and 6 December.<sup>32</sup>

Other proposals for expanding FSB activities that would clearly impinge on other security agencies were suggested but were not approved or put into effect:

- On 28 September 1995, Komsomolskaya Pravda reported that a draft Yeltsin edict had been prepared, giving the FSB additional rights to check the work of the Internal Affairs Ministry (MVD), the Federal Agency for Government Communications and Information (FAPSI), tax police, and other security organs and watch for corruption in their ranks. On 22 November, NTV reported that the "State Security Service" (presumably the FSB) was setting up a unit in the MVD to monitor its staff and clean up corruption.
- On 3 November, Moskovskiy Komsomolets reported that Barsukov planned to create other centers in addition to the Anti-Terrorism Center—a Center for Counterespionage, a Center for Combating Organized Crime, and an

Operational Center. The Center for Combating Organized Crime would appear to overlap with the MVD's Main Directorate on Organized Crime, but a new head for this directorate was recently appointed, suggesting that plans to transfer it out of the MVD or downgrade it are not imminent. Valeriy Petrov was named first deputy internal affairs minister and head of the Main Directorate on Organized Crime in November.<sup>33</sup>

- On 11 November, Moskovskiy Komsomolets cited unnamed "sources," claiming that Barsukov had decided to create a new directorate dealing with foreign intelligence.<sup>34</sup> FSB involvement in foreign intelligence became the subject of hot debate in the Duma in December as it considered a law on foreign intelligence. The law for the first time defined the spheres of the SVR, the armed forces' Main Intelligence Directorate (GRU), FAPSI, and the Federal Border Service in foreign intelligence, but "after long debate" a provision permitting the FSB to have its own foreign intelligence service was excluded from the law.<sup>35</sup>

Some press reports have even claimed that Yeltsin gave Barsukov license to virtually recreate the KGB by subsuming other security agencies under the FSB:

- Moskovskiy Novosti (30 July-6 August 1995) reported that "sources close to the FSB" said an edict was being prepared to put the GUO and FAPSI into the FSB and that such a reorganization had been Barsukov's condition for accepting the post of FSB director.
- Argumenty i Fakty (No. 31, August 1995) quoted "competent sources" saying that Barsukov came "with a blueprint for the resurrection of the KGB, approved by the president." This plan reportedly would bring the SVR and Federal Border Service into the FSB.
- Obshchaya Gazeta (17-23 August 1995) cited sources in the MVD claiming that a plan to put the MVD's Main Directorate on Organized

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Crime and the Federal Border Service into the FSB was under consideration. Mikhail Yegorov resigned as first deputy internal affairs minister and head of the MVD Main Directorate on Organized Crime on 18 August 1995,<sup>36</sup> and no one was named head of the directorate until November, perhaps encouraging the idea it would be abolished or transferred to the FSB.

- *Komsomolskaya Pravda* (22 August 1995) said that units of FAPSI and the SVR would soon be transferred to the FSB.

None of these major reorganizations occurred, and the chiefs of the SVR (Yevgeniy Primakov), FAPSI (Aleksandr Starovoytov), the Federal Border Service (Andrey Nikolayev), and MVD (Anatoliy Kulikov)—all of whom were directly subordinate to Yeltsin—would surely have resisted having their agencies dissolved into the FSB.

The changes within the FSB became increasingly hard to track in the media because Barsukov imposed stricter secrecy over the agency's inner workings. Stepashin had been relatively open, granting interviews and apparently allowing FSB officials to talk to reporters.<sup>37</sup> After Barsukov took over, officials of the FSB's Public Relations Center announced that all data on FSB personnel and leadership changes were now considered military secrets,<sup>38</sup> and Barsukov ordered his subordinates to cease contact with the press.<sup>39</sup> On 7 December, *Komsomolskaya Pravda* reported that Barsukov had issued a secret order forbidding all special services personnel—except for the FSB Public Relations Center—from having any contact with the media.

### **Protection of State Secrets Upgraded**

Coincident with Barsukov's takeover and the strengthening of the FSB, another step was taken to tighten control over state secrets—the 9 November 1995 creation of an Interdepartmental Commission for Protecting State Secrets. The reorganization was announced in an edict that Yeltsin signed while still in the hospital. He named First Deputy Premier Oleg Soskovets as chairman and Barsukov

and State Technical Commission Chairman Yuriy Yashin as deputy Chairmen.<sup>40</sup> The creation of an interdepartmental commission headed by a first deputy premier represented a significant upgrading of the bureaucracy charged with protecting state secrets, until then led by the lower-level State Technical Commission, headed by Yashin.<sup>41</sup>

The change benefited Barsukov since it established his agency's priority role in protecting secrets. As deputy chairman of the commission, he now clearly outranked heads of all other agencies in the field of protecting state secrets—the Defense Ministry, FAPSI, the SVR, and so forth—except for fellow Deputy Chairman Yashin.

In another boost to Barsukov, Yeltsin signed an edict the same day, promoting him to General of the Army.<sup>42</sup> The promotion may have been partly prompted by a desire to give Barsukov equal rank to General Yashin. In any case, the promotion was another sign of Yeltsin's favoritism toward Barsukov, since his predecessor as FSB director, Stepashin, was only a lieutenant general when removed in July. The edict promoting Barsukov was signed on 9 November as Barsukov visited Yeltsin in the hospital, perhaps as a gift for Barsukov's 8 November birthday.<sup>43</sup>

In addition to boosting Barsukov personally, the creation of the new commission appeared to further the campaign the FSB had been pushing to enhance vigilance and suspicion toward foreigners. The campaign surfaced in January with press publication of warnings from the FSK—predecessor to the FSB—about foreign spying and subversion.<sup>44</sup> Stories that were leaked to the press continued to promote the need to protect state secrets. For example, on 23 September, *Komsomolskaya Pravda* published an article criticizing the Duma's foreign affairs committee for selling nonsecret but possibly sensitive Duma draft documents to Westerners.

As the campaign continued, the FSB became more aggressive in harassing those suspected of gathering Russian information. For example, in October the FSB charged the nongovernment

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Norwegian Bellona environmental organization with possessing files containing secret data on the Russian Navy and merchant marine.<sup>45</sup> Other FSB actions and items in the press also appear part of this vigilance campaign.

Barsukov appeared to have particularly strict views on keeping information secret. An 11 October Moskovskiy Komsomolets article reported that he was more hostile to the press even than Security Service of the President Chief Korzhakov, refusing to give any interviews at all and insisting that all information about FSB personnel is classified. The article said that his secretive mentality was reflected in his assumption of full personal control over issuing of passes to “all employees of structures having anything to do with state secrets.”

Although pressure from Barsukov and his campaign for heightened vigilance probably account for the timing of the 9 November edict, the creation of the interdepartmental commission had been planned for a long time but not carried out. The law “On State Secrets” enacted in July 1993 had provided for working out a program for protecting secrets and for an Interdepartmental Commission for Protecting State Secrets.<sup>46</sup> The body was not created, and on 30 March 1994, Yeltsin signed an edict authorizing the State Technical Commission to temporarily carry out the duties assigned to the interdepartmental commission.<sup>47</sup> The continued failure to set up the interdepartmental commission was attested to by later laws—the 20 February 1995 statute on the system for declassifying archive documents<sup>48</sup> and the 4 September 1995 rules<sup>49</sup> for classifying state secrets—that assign tasks to the interdepartmental commission but note that the State Technical Commission is acting temporarily for the commission. Yashin, in a 12 August 1995 Krasnaya Zvezda interview, suggested that his agency could continue to supervise protection of state secrets and that no other body needs to be created.

One probable reason for the lack of action on creating an oversight body and on working out rules and procedures for state secrets was competition among the many agencies handling

state secrets. The law “On State Secrets” listed the Defense Ministry, Ministry of Security, FAPSI, SVR, and State Technical Commission as agencies that protect state secrets.<sup>50</sup> It listed the State Committee for the Defense Industry, the Atomic Energy Ministry, Ministry of Science and Technology Policy, Economy Ministry, Justice Ministry, Foreign Affairs Ministry, Communications Ministry, Academy of Sciences, and Russian State Archive as other agencies that classify information and make decisions on secrets.

FAPSI was charged with protecting state secrets in the “Law on Federal Organs of Government Communications and Information.”<sup>51</sup> The FSB was charged by its 23 June 1995 statute with protecting state secrets; licensing enterprises using state secrets; checking the protection of state secrets in state organs, military units, and public and private enterprises; and setting rules for access to state secrets.<sup>52</sup>

In addition, the Security Council’s Interdepartmental Commission for Information Security was also involved, for example, meeting in March 1994 to discuss implementation of the law “On State Secrets” and on how to create a mechanism for protecting state secrets.<sup>53</sup> Yashin and chief of the Russian State Archive Rudolf Pikhoya said 40 agencies were involved in decisions on state secrets.<sup>54</sup>

With so many organizations, officials complained that it was difficult to reach agreement on the rules of secrecy. Yashin complained that his State Technical Commission in December 1994 had prepared a “list of information categorized as state secrets” and sent it for coordination to the 40 agencies responsible for protecting information but that six months later nothing had been accomplished.<sup>55</sup> Pikhoya complained that declassification of archive documents was hampered because 40 agencies are involved.<sup>56</sup> One newspaper complained that, ever since the collapse of the old system, controls on secret information have “been in a kind of limbo,” with organizations themselves left to decide what should be kept secret.<sup>57</sup>

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In 1995, however, work on tightening control of state secrets moved more rapidly, along with the considerable strengthening of the FSB. The Duma on 25 January passed a law “On Information, Provision of Information, and Protection of Information,” including an extensive section on protection of state secrets and “confidential” documents.<sup>58</sup>

Premier Viktor Chernomyrdin approved a 20 February statute “On Procedure for Declassification of and Prolonging Classification Periods for USSR Government Archival Documents” that ordered creation of an Interagency Group of Experts made up of representatives from 13 agencies and headed by the deputy chairman of the interdepartmental commission. The group was to operate under the interdepartmental commission, but the statute noted that the State Technical Commission was still acting for the interdepartmental commission.<sup>59</sup> In May, Chernomyrdin signed a decree creating a system of licensing for enterprises dealing with state secrets and ordering the FSB, State Technical Commission, FAPSI, and the SVR to work out the licensing.<sup>60</sup>

On 3 April, Yeltsin signed a law “On Organs of the Federal Security Service in the Russian Federation,” renaming the FSK the FSB and expanding its powers and responsibilities, which included protecting state secrets.<sup>61</sup> Yeltsin approved the 23 June statute on the FSB, defining its powers and tasks, including its detailed tasks in protecting state secrets<sup>62</sup>

On 26 June, Chernomyrdin approved a statute “On Certification of Means of Protecting Information,” outlining the registration of all cryptographic and other technical means for protecting state secrets.<sup>63</sup>

The Duma on 5 July passed a new law “On Operational- Investigative Activities,” apparently strengthening the powers of the FSB, the Main Protection Directorate (previously led by Barsukov), Korzhakov’s Security Service of the President, the SVR, the tax police, and other bodies.<sup>64</sup> Moskovskiy Komsomolets (3 November) asserted that the law had been drawn up within the FSB and its position strengthened.

Chernomyrdin signed a 4 September decree approving “Rules for Defining Information Comprising a State Secret, for Various Levels of Secrecy” worked out on the basis of the law “On State Secrets,” which was published in the 11 September 1995 *Sobraniye* and 14 September 1995 *Rossiyskaya Gazeta*.

With a new interagency commission to coordinate handling of state secrets and with Barsukov’s enhanced role in protecting secrets, the already evident tightening of control over sensitive information would intensify. Although the new rules on secrets likely expanded the types of information considered classified and the State Technical Commission had power all along over political and economic secrets, as well as military and technical secrets, Barsukov appeared to be more aggressive in interpreting the rules on secrets and in enforcing protection of secrets and information he considered should be classified.

Barsukov’s firing of Anatoliy Krayushkin, chief of FSB archives, also reflected a tightening of control over information although press articles have not reported any accusations that Krayushkin wrongly released archive material. However, it was rumored that he had fallen under suspicion in connection with a German intelligence agent.

To strengthen its counterintelligence mission, the FSB turned to the Russian media to send a two-part message: Russian citizens should be careful of contacts with foreigners, and Russians should support the FSB to negate the foreign intelligence threat. This new campaign is reminiscent of previous KGB efforts to alert the public to the nefarious activities of Western spies.

Russia’s mainstream media began to cooperate with the FSB by publishing items touting Russia’s intelligence services and warning that hostile Western intelligence services still pose a threat to Russia’s security. Examples of items reflecting the growing closeness between the security services and the media appeared in both state-owned and independent media, including some media that are usually proreform:

- A 22 September article in *Komsomolskaya Pravda* alleged attempts by a “CIA officer” within the US Embassy in Moscow to poll members of the Moscow academic elite for details on Yeltsin’s personal life.
- A 24 September item from Interfax declared that hostile foreign intelligence activities were on the increase and decried the policies of “openness,” which facilitated the opportunity for contact between Russian citizens and foreign spies.
- A 30 September article in *Komsomolskaya Pravda* lamented the damage to national security, resulting from the sale of Russian satellite photographs to Western firms.
- A 7 October program aired on Russian television featured an interview with a Russian citizen convicted of spying for the West in 1992.
- An 11 October item from ITAR-TASS advertised the publication of a “white book,” hailing the legacy of Russia’s intelligence services.

Such media activity emulated the openly recidivist line that FSB officials used in describing their activities. An article on an “old-timers day” meeting for former KGB officials hosted by newly appointed FSB Director Barsukov asserted—citing Barsukov’s remarks—that Barsukov conceived of his task as “strengthening the role of the service and hardening its policies in a manner worthy of the traditions of the KGB.”<sup>65</sup> The article also contended that Barsukov was restoring the veil of secrecy surrounding the organization, reporting that the FSB’s Center for Public Relations had recently “shocked” a group of journalists by refusing to comment on recent personnel moves and asserting that “all” information on FSB officers constitutes a “military secret.”

The items also reflected the closer relationship between the media and the security services called for in two acts signed by President Yeltsin. These acts charge the FSB and other security agencies with working jointly with Russian media to accomplish their mission and allow the recruitment of Russian journalists as informants and operatives.

“The Statute on the Federal Security Service of the Russian Federation” approved by Yeltsin on 23 June tasked the FSB in a section titled “FSB Functions” to “organize and conduct interaction with the mass media, inform society on [FSB] activities . . . and conduct editorial-publishing activities.”<sup>66</sup> The terms of the statute are not defined precisely and appear to be open to broad interpretation.

“The Federal Law on Operational-Investigative Activities” passed by the State Duma on 5 July and signed by Yeltsin on 12 August authorized Russian intelligence organizations to hire journalists as paid informants and agents and lists agencies authorized to do so.<sup>67</sup> The list included the Ministry of Internal Affairs, the FSB, the SVR, and the federal organs of state protection (defined as the Main Protection Directorate and the Presidential Security Service).

Aleksandr Zdanovich, deputy chief of the FSB’s Center for Public Relations, defended the recruitment of journalists and argued that the media have a civic duty to cooperate with security organs.<sup>68</sup> Asked about the possibility of journalists becoming “informants” for the FSB and other investigative organizations, Zdanovich called the prospect a “completely normal phenomenon.” He called “rendering assistance to the security organs” by journalists a “constitutional duty” and added that in some cases the failure to report information “in cases of especially dangerous crimes against society” could result in criminal liability for journalists. Zdanovich asserted that “the main thing for us is that we do have paid informants” in journalistic circles, adding that the FSB had “fought” for this law.

Zdanovich also said that the law “On Mass Media,” signed into law by Yeltsin on 27 December 1991, should be modified to make it compatible with the law on investigations. While he did not specify the points of incompatibility in the two laws, he may have been referring to the Law on Investigations’ ban on investigative activities by nonlaw enforcement organizations and individuals, and the Law on the Mass Media’s guarantee of journalists’ rights to “seek, obtain . . . and

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distribute” mass information without restriction. In addition, Zdanovich’s implication that journalists could be forced to reveal their sources would clearly contradict the media law’s stipulation that journalists have a “responsibility” to “protect the confidentiality of information and (or) its source.”<sup>69</sup>

The new documents on media activities by the FSB, supported by both Yeltsin and the usually anti-Yeltsin legislature, suggest that Russian media one day would have to yield hard won journalistic freedoms in the alleged interests of Russian national security and social stability. Taken together with the recent appointment of hardliner and long-time Yeltsin loyalist Barsukov, these developments suggest that the traditional domestic espionage and propaganda functions exercised by the Soviet-era KGB were gradually being revived.

### **Other Security Services Changes**

In a 28 July 1995 edict, Yeltsin placed the GUO “under the day-to-day” management of the SBP, giving Korzhakov control of all Kremlin guards and reversing the original relationship of the GUO and SBP. Korzhakov and the SBP had been subordinate to Barsukov until November 1993, when Yeltsin created the SBP as a separate agency out of the GUO.<sup>70</sup> Korzhakov’s SBP protected the president, while the GUO protected other leaders.

Yeltsin’s edict separated the posts of GUO head and Kremlin commandant—long held concurrently by Barsukov—creating a separate post of deputy GUO head, who would be Kremlin commandant. On 29 July 1995, Yeltsin’s Press Service reported the president named Barsukov’s first deputy, Yuriy Krapivin, to head the GUO and promoted him to lieutenant general.<sup>71</sup> Maj. Gen. Valeriy Nikitin was named first deputy head of the GUO, and Maj. Gen. Sergey Strygin was named deputy head and Kremlin commandant.

At the same time, Yeltsin promoted Korzhakov to lieutenant general, making him equal in rank to the head of the GUO.<sup>72</sup> Barsukov, as head of the larger GUO, had had a higher rank (colonel general) than Korzhakov, whose SBP was smaller.

Although placing other presidential organs under presidential Administration Leader Filatov in a new edict, Yeltsin reaffirmed Korzhakov’s independent status. In another 28 July edict, “On the Administration of the President of the Russian Federation,” Yeltsin placed the SPB, along with other “state organs led directly by the president,” in Filatov’s Administration of the president but preserved Korzhakov’s independence of Filatov. The edict said that the Administration leader (Filatov) would manage such bodies, but it made an exception for the SBP, saying that the leader of the Administration “does not carry out operational management of the SBP.”<sup>73</sup> In the past, the SBP had been outside the Administration and outside Filatov’s control; now it would be within the Administration but still outside Filatov’s control.

While subordinating the GUO to Korzhakov, Yeltsin kept for himself the power to name its two top officers. The 28 July edict specified that the GUO head and deputy head are to be appointed directly by the President.

In addition to the leadership changes in the FSB and GUO, there were also changes in the MVD. A 6 July Yeltsin edict named Col. Gen. Kulikov, deputy internal affairs minister and chief of MVD internal troops,<sup>74</sup> as the new internal affairs minister.<sup>75</sup> Lt. Gen. Anatoliy Romanov succeeded Kulikov as deputy minister and commander of internal troops.<sup>76</sup> Yerin, removed as internal affairs minister on 30 June 1995, was named deputy director of the SVR on 5 July.<sup>77</sup>

### **FSB Comes Out on Top**

Changes to the FSB made it clearly the preeminent security agency, but Yeltsin did not sanction the FSB taking over all former parts of the KGB and recreating a centralized security agency. Yeltsin followed his cautious rule of keeping the security services splintered and directly under his control. Though the FSB, MVD, SVR, GUO, and Border Service had membership in the cabinet, they were directly under the president, and Premier Chernomyrdin had little influence over them.

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A revitalized and more politically aggressive FSB under Barsukov, along with Korzhakov's politically active SBP, had the potential to be an important player in the next election for national leadership. However, whatever plan or scenario Yeltsin contemplated for using, the FSB and the SBP unraveled prior to the runoff election.

### **Yeltsin Fires FSB and SBP Chiefs**

Reformers led by former First Deputy Premier Anatoliy Chubays appeared to have maneuvered Yeltsin into firing his three closest hardline deputies—SBP Korzhakov, FSB Director Barsukov, and First Deputy Premier Soskovets—after the hardliners overreached themselves in a clumsy attempt to discredit Yeltsin's reformist deputies and perhaps postpone the runoff elections. The upheaval resulted from the longtime rivalry between the hardline Korzhakov-Barsukov-Soskovets group and reformers such as Chubays, former Yeltsin chief of staff Filatov, and Premier Chernomyrdin. There was also a bitter struggle over leadership of Yeltsin's election campaign between Korzhakov and Soskovets on the one side and Chernomyrdin, Chubays, and First Assistant to the president Ilyushin on the other. The ousters appeared, in the short run at least, to have dramatically boosted the influence of Chernomyrdin, Chubays, and other reformers and also newly appointed security boss Aleksandr Lebed, whose actions have been lauded as saving democracy on his second day in office.

The ouster of Korzhakov and his allies probably only came about because of Chubays's bold gamble. Chubays dragged Lebed into the dispute, tipped off the media, and set off exaggerated reports of a coup and forced Yeltsin to take action by scheduling a news conference to expose the whole dispute. Without such actions, Korzhakov's arrest of Yeltsin's campaign aides probably would have resulted in some charge of corruption against Chubays or else been quietly hushed up.

Korzhakov's fatal maneuver was the 19 June arrests of two Yeltsin campaign aides. The action

appeared to be an attempt to take advantage of an opportunity to incriminate the leaders of Yeltsin's campaign staff, Chubays and Chernomyrdin, rather than an operation planned in advance. SBP guards at the Government House (the White House) claimed that the two aides were leaving the building with \$500,000 in foreign currency and no authorizing property pass or documents.<sup>78</sup>

The SBP and FSB questioned them for several hours, either at the government building or at Moscow FSB headquarters.<sup>79</sup> One of the aides, Arkadiy Yevstafyev, in a 20 June interview on RTV, said he had been arrested at 5 p.m. Moscow time by the SBP and interrogated until 3 a.m. On 21 June, *Segodnya* specified that Yevstafyev was arrested at 4:15 a.m., while Sergey Lisovskiy was arrested separately at 5:00 a.m., and it said that Lisovskiy was carrying the money. *Segodnya* also reported that, at midnight, Deputy Finance Minister German Kuznetsov arrived at the White House with documents signed by Chernomyrdin, authorizing Lisovskiy to have the money.

Since one of the aides, Yevstafyev, was an official of Chubays's campaign group and the other was at least associated with the campaign, SBP and FSB leaders apparently saw the opportunity of building a corruption case against Chubays and perhaps Chernomyrdin as well. Yevstafyev was a longtime aide and press secretary to Chubays and was linked to Chubays's campaign group, while the other, Lisovskiy,<sup>80</sup> was a "well-known show business figure" and organizer of a series of big music concerts to promote Yeltsin's candidacy.<sup>81</sup>

Tamara Zamyatina wrote in the 21 June 1996 *Izvestiya* that "any scandal involving undocumented and even documented foreign currency, which Lisovskiy and Yevstafyev had taken out of the government building, would cast suspicion on the headquarters' leaders, primarily Chernomyrdin and Chubays," and so could be used "to retrieve the position lost by Soskovets in the election campaign and make him premier after the second round of the election."<sup>82</sup> Whether the aides actually were carrying the money is in dispute, since, according to Chubays at his 20 June press conference, they

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deny having had any such money and Chubays suggested that the money was planted, as part of a “traditional KGB/Soviet-style provocation.”

The two aides were questioned apparently with the idea of finding evidence of wrongdoing by Chernomyrdin and Chubays. NTV President Igor Malashenko said Lisovskiy told him that FSB interrogators had tried to get from him “any kind of compromising material on the organizers of Boris Yeltsin’s election campaign,” specifically Chernomyrdin and Chubays.<sup>83</sup> Yevstafyev in his 20 June interview mentioned comments by his SBP interrogators about the election that suggested hostility toward Yeltsin’s reformist aides. He said his interrogators contended that Yeltsin would win reelection “but not thanks to those who have attached themselves to the president” but thanks to the “real patriots.”<sup>84</sup>

Chubays in his 20 June press conference said that “Korzhakov’s people” conducted the interrogation and used “disgusting and dirty methods” and claimed that the arrests were aimed at the head of the president’s campaign headquarters.<sup>85</sup> Chubays in his 20 June 1995 NTV interview said the purpose of the arrests was to “demonstrate who rules the roost” and to “intimidate us” in the campaign staff.

Korzhakov and Barsukov later sought to dismiss any idea of a political angle to the arrests. Barsukov said that the reason for the arrests was that the two had attempted to smuggle “a substantial sum of hard currency” out of the White House, and Korzhakov said “there is no political feature to their case, but if people leave the White House with a boxful of hard currency, the police are bound to get suspicious.” He criticized “attempts to stir up the public by presenting the case as politically motivated” and said he had told Lebed to “take it easy.”<sup>86</sup> Moscow FSB Chief Trofimov denied that the two had been arrested, contending that there had just been a “conversation” conducted “in a civilized form, with tea and coffee,” and that no compromising material was being sought.<sup>87</sup>

The SBP and FSB detention of persons connected to Yeltsin’s campaign staff apparently stemmed from the bitter rivalry between Yeltsin deputies over who was to run the campaign. Yeltsin had designated Soskovets as chief of his campaign headquarters in January<sup>88</sup> but had replaced him in March when he set up a “Council for the Reelection of Boris Yeltsin,” with himself as nominal chairman. Chernomyrdin, Ilyushin, Filatov, Barsukov, Korzhakov, and others were included as members of the new council, but not Soskovets. Soskovets’s sidelining followed criticism of his handling of the campaign by Filatov and presidential Assistant Georgiy Satarov. Under Yeltsin’s honorary chairmanship, Chernomyrdin and Ilyushin were reportedly actually directing the council.<sup>89</sup>

Meanwhile, Filatov led a campaign group (the All-Russian Movement of Public Support of Boris Yeltsin—ODOPP).<sup>90</sup> Chubays quietly headed a related but shadowy campaign organization, the creation of which was never announced. In his 20 June press conference, Chubays mentioned that he headed an “analysis group” connected with the campaign headquarters,<sup>91</sup> which prepared strategy. For example, he said the group estimated that turnout would be the key to winning the runoff and therefore pushed for a weekday election date (3 July) instead of the traditional Sunday.

Korzhakov’s bitterness at Soskovets’ ouster—and with it his own reduced influence—erupted at a meeting of the council when Korzhakov told Filatov, Chubays, and Satarov to stop appearing on television.<sup>92</sup> According to other versions of the exchange, Korzhakov warned Chubays, Filatov, Satarov, and president assistant Aleksandr Livshits to keep their “mugs” off television,<sup>93</sup> telling Chubays and Filatov that they “irritate the electorate.”<sup>94</sup>

Chubays, whose campaign aide was one of those arrested, apparently was the first figure to learn of the arrests and played the most outspoken role. As an old enemy of Korzhakov and Soskovets from his time as first deputy premier and reform supervisor and with his aide one of those arrested, he clearly considered himself to be the prime target of the arrests. Chubays spread the word to Chernomyrdin, Lebed, and perhaps Yeltsin. In his 20 June press



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conference he explained that he had learned of the arrests three hours after they occurred (8 p.m.) and that within a half hour Chernomyrdin, Lebed, and Yeltsin had been informed.<sup>95</sup>

In his 20 June NTV interview he said he contacted Lebed about 1 a.m. and that Lebed took a strong stand. He also said he phoned Barsukov, who denied knowledge of the arrests. Chubays said that, when he pressed Barsukov for an answer, Barsukov began threatening him and demanding that he come to FSB headquarters.<sup>96</sup> “Chubays’s people” also sent faxes around midnight to ITAR-TASS about the arrests and apparently notified television channels and radio Ekho Moskvyy as well,<sup>97</sup> setting off the dramatic television reports of a coup.

The newly appointed Lebed appeared to play into the hands of Chubays in heightening the sense of crisis and turning the situation against Korzhakov. On 18 June 1996, Yeltsin had appointed Lebed as Security Council secretary and presidential assistant for national security in an effort to attract Lebed’s voters in the runoff. Although the full extent of Lebed’s powers was not immediately clear, he was given supervision over all the power ministries, including Korzhakov’s SBP and Barsukov’s FSB.

As the new overseer of the security agencies, Lebed had the right to be informed of any significant arrests by the police. Initially, he took a somewhat alarmed view, probably incited by Chubays’s account of the arrests and caught off-guard by reporters. Someone tipped off reporters to watch for Lebed going to his office about 3:30 a.m., and they caught him on the street at 4:20 a.m. for an impromptu interview.<sup>98</sup> In his first remarks, he expressed himself sharply, stating that his “first impression” was that “someone is trying to wreck the second round of the presidential election” and declaring, “any mutiny will be quashed ruthlessly.”<sup>99</sup> Lebed issued a statement that he would not permit any violations of the constitution or laws and would suppress any actions by the power ministries intended to destabilize the country and disrupt the coming elections.<sup>100</sup>

Lebed appears to have directly clashed with Korzhakov and Barsukov over the arrests. On 19 June at 3:20 a.m. Moscow time, ORT reported that Lebed had been informed of the arrests several hours earlier and had demanded a report on them from Barsukov and Korzhakov. Chubays in his 20 June NTV interview said Lebed immediately demanded a report from Barsukov but that Barsukov tried to avoid answering the phone. In an interview, Korzhakov complained about the media frenzy and, suggesting that Lebed had been angry about the arrests, said he had told Lebed that “the picture will very soon clear up” and to “take it easy.”<sup>101</sup> Korzhakov later complained to reporters that someone was “trying to drag Aleksandr Lebed into this incident.”<sup>102</sup>

Although Lebed himself has not said much about his role in the dispute, Chubays played it up in an apparent effort to make him appear closer to the reformers’ side and to heighten pressure on Korzhakov. In his 20 June press conference, Chubays stated that Lebed had played a key role and displayed “courage” and “decisiveness.” In his 20 June NTV interview, Chubays said that, when he told Lebed what had happened, Lebed took an “unequivocal” position, giving a “cold shower” to the organizers of the detentions and quickly demanding a report from Barsukov.

In his 20 June press conference, Chubays stated that Chernomyrdin had also played a major role in the drama from the start. Chubays said he had phoned Chernomyrdin on the night of 19 June and that Chernomyrdin had “showed himself to be what would be called a real man,” adding that events turned out the way they did “thanks to his position.”<sup>103</sup> Chernomyrdin was informed of the arrests during the night and had a report by morning. He later said the arrested aides were pressured to testify against him.<sup>104</sup>

Chernomyrdin was the first to talk to Yeltsin on 20 June about what to do about Korzhakov, and in that talk he insisted that Soskovets be fired, according to Yeltsin’s Press Secretary Sergey Medvedev.<sup>105</sup> Chernomyrdin was naturally hostile to Korzhakov because of Korzhakov’s past

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efforts to undermine him and have him replaced as premier by Soskovets, as well as because of Korzhakov's moves against Chernomyrdin during Yeltsin's October hospitalization. However, in his public statements he did not dramatize the situation, unlike Chubays.

Yeltsin's closest aide other than Korzhakov, First Assistant to the President Ilyushin, played a less visible role, perhaps because he was not part of the reform camp and not one of Korzhakov's prime targets. Nonetheless, Ilyushin had problems with Korzhakov,<sup>106</sup> and as one of the leaders of the election campaign, Ilyushin was involved with demoting Soskovets the previous March, although no one has mentioned him advising Yeltsin to oust Korzhakov or Soskovets on 20 June. He publicly criticized the arrest of the two aides, calling it "detrimental to the president's election campaign."<sup>107</sup>

### Media Plays Up Arrests

The media—especially television—played a key role by reporting the arrests and developing a crisis atmosphere by accusing Korzhakov and Barsukov of attempting a virtual coup. The media were initially informed of the arrests by faxes and phone calls around midnight from "Chubays's people."<sup>108</sup> Starting soon after midnight, television began reporting the arrests and creating a crisis atmosphere by staying on the air during the night and carrying special bulletins about the arrests. For example, in the first report of the arrests, at 1:20 a.m., NTV's Yevgeniy Kiselev broke into NTV programming to report the arrests and characterize them as "the first step in implementing a scenario for canceling the second round of the presidential election"<sup>109</sup> and to declare that the "country is on the brink of political catastrophe."<sup>110</sup>

The pressure from television played a key role and apparently forced the release of the two detainees. NTV Chairman Malashenko said Lisovski told him that, as soon as NTV and ORT began reporting the arrests, the two were released.<sup>111</sup> In his press conference, Chubays said that the television reports had played a crucial role and that as soon as the

first report appeared on television, the interrogators "suddenly turned gentle" and stressed that they did not want any "televised scandal."<sup>112</sup>

### Influences on Yeltsin's Decision

The dispute came to a head on Thursday morning (20 June), as Chubays and Chernomyrdin managed to raise the stakes so high that Yeltsin decided to fire his three trusted aides. The major input into the decision to fire Korzhakov, Barsukov, and Soskovets reportedly came from Chernomyrdin and Chubays. Medvedev on 20 June said that Yeltsin first met with Chernomyrdin then discussed the changes at a Thursday morning Security Council session.<sup>113</sup> Following that, he held successive meetings with Korzhakov and then with Chubays before making his decision. Medvedev also specified that Chernomyrdin urged Yeltsin to fire Soskovets, blaming him for "serious mistakes" in running industry and defense industry conversion.<sup>114</sup>

Chubays in a later NTV interview said that in his talk with Yeltsin the president had asked him what happened, who "instigated" the arrests, and why.<sup>115</sup> Chubays had appeared ready to force the issue by scheduling a press conference for 10:30 a.m. with Yevstafyev and NTV Chairman Malashenko on the theme "An Attempt To Disrupt Boris Yeltsin's Election Campaign." This press conference was only postponed when Yeltsin agreed to meet Chubays at noon. Yeltsin then announced the dismissals at about 12:30 p.m., after which Chubays held his press conference.

Yeltsin's decision appears to have been based more on considerations of power and concern about Korzhakov's possibly jeopardizing his reelection than on possible legal abuses in the arrests. He appeared uncertain over whether the arrests were a serious matter, saying that "I don't know the details, but judging from what senior officials told me, it was a purely technical affair"<sup>116</sup> and adding that the aides had "violated the pass rules and were detained for this reason."<sup>117</sup> Medvedev quoted Yeltsin as saying that the dismissals were not linked to the arrests.<sup>118</sup>

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Nonetheless, the dispute apparently convinced Yeltsin that it was time to dump Korzhakov and his allies. Yeltsin had shown irritation with Korzhakov recently for publicly proposing postponement of the election and had ordered him to stop meddling in politics. Although Soskovets was apparently not involved in arresting the campaign aides, he was dismissed also, apparently because of his close maneuverings with Korzhakov against Chernomyrdin.

When Yeltsin announced his decision to remove Soskovets, Barsukov, and Korzhakov to television cameras, he first characterized it as a “renewal” of his team, but then showed his irritation at having to repeatedly defend Korzhakov and the others. He complained, “I am always being reproached for Barsukov, Korzhakov, Soskovets,” and asked, “should the president work for them?” He asserted, “it has never happened that I worked by Korzhakov’s suggestions”<sup>119</sup> and added that the “power structures need to be replaced; they took too much on themselves and gave back too little.”<sup>120</sup>

Despite his initial anti-Korzhakov statements during the night—uttered when he was caught off guard by reporters—Lebed seemed to play a more conciliatory role than Chubays and Chernomyrdin, playing down the conflict, not publicly attacking Korzhakov and Barsukov, and even claiming to have tried to reconcile the two sides.

Initially after the Security Council meeting, Lebed denied that the council discussed the arrests,<sup>121</sup> saying it had discussed measures against crime and corruption.<sup>122</sup> He called the arrests only a “misunderstanding”<sup>123</sup> and turned back questions about his role in ending the arrests, stating “this murky story does not interest me. This is a question for investigation by the prosecutor and FSB.”<sup>124</sup>

He claimed that he had tried to reconcile the sides, mentioning “I almost reconciled the participants of the well-known conflict which took place in the early hours of Thursday.”<sup>125</sup> After Yeltsin dismissed the hardliners, Lebed followed Yeltsin’s lead in downplaying the dismissals. Like Yeltsin, he characterized the firings as just a changing of the

guard rather than part of a political struggle. New on the job and unfamiliar with the bureaucratic infighting, Lebed refused to comment on the factional struggle, saying he is “still a young party big shot and has not figured out the tricks.”<sup>126</sup>

## Reformers’ Versions

Chubays, Filatov, and Satarov were less restrained than Lebed, accusing Korzhakov, Barsukov, and Soskovets of forming a hardline faction, attempting a coup, and trying to cancel the election, and they also boosted Lebed’s role in resisting them.

Chubays described the events in detail during his 1:30 p.m. press conference on 20 June, characterizing the incident as a struggle between those who wanted to use force and avert elections—naming Korzhakov, Barsukov, and Soskovets—and those who wanted to carry through with elections. He said Yeltsin’s 16 June election victory “made almost pointless the attempts to direct the situation to strong-arm solutions” and claimed that with Lebed’s appointment the alleged conspirators had lost their “last hope.”<sup>127</sup> He argued that the events had constituted a “coup attempt”<sup>128</sup> and called Soskovets the “spiritual father” of the Korzhakov group.<sup>129</sup>

Filatov—another bitter foe of Korzhakov—also dramatized the situation, calling the events a scandal and accusing Korzhakov and Barsukov of “constantly interfering in the work of the election council, even though the president already in May had advised Korzhakov not to intrude into politics.” He claimed Korzhakov had been frightened by Lebed’s “increased influence” and accused Korzhakov of actively helping to defeat St. Petersburg Mayor Anatoliy Sobchak’s reelection bid.<sup>130</sup>

Satarov said that the influence of Korzhakov and Barsukov “dwindled” as Yeltsin’s popularity rose, and they decided to “seize the initiative” from Chernomyrdin and others and prevent Lebed from consolidating his position. Satarov said, “it has become easier to breathe” now that Korzhakov is gone.<sup>131</sup>

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Despite his success in having Korzhakov and his allies dismissed, Chubays's bold statements, as well as his pressure on Yeltsin to fire Korzhakov, apparently angered the president. On 26 June, *Segodnya* reported that Yeltsin was extremely unhappy over Chubays's public statements about the events and had decided to limit Chubays's campaign role or possibly even dismiss him. Korzhakov meanwhile called Chubays's press conference statements "100-percent lies."<sup>132</sup>

Reformers took advantage of Korzhakov's ill-fated move to achieve results that they had long been seeking—to Yeltsin's hardline and ambitious bodyguard and confidant, who felt free to interfere in all sorts of political and economic decisions. Korzhakov lost direct control over his police forces (the SBP), which he used to intimidate others and exercise power. Lebed's actions in this crisis—coming before he had learned his way around Yeltsin's staff—made it difficult to clearly define Lebed's role and political inclinations, but, in this case, reformers were able to effectively get Lebed on their side in the bureaucratic struggle for power.

### **Kovalev Named FSB Chief**

When dismissed on 20 June 1996, Mikhail Barsukov had served as FSB head for less than a year. Yeltsin named a deputy director of the Federal Security Service (FSB), Col. Gen. Nikolai Kovalev, as its new acting chief. Kovalev's intelligence service activity began in 1974 with his entrance in the KGB, where he joined the Fifth Directorate, which dealt with ideological questions and the questions related to dissidents. He served for two years in Afghanistan and later worked in the Moscow and Moscow Oblast branches of the FSB before being made deputy director with responsibility for the Investigations Directorate, Directorate for Economic Counterintelligence, and Operational Reconnaissance Directorate. After his nomination to the FSB, Kovalev told the news media that he saw the emphasis of his activities in the economic security of Russia and in the fight against corruption. In addition, he promised to focus on measures to respond to increasing activities of foreign intelligence services in Russia.

In addition, Yeltsin simply put FSO<sup>133</sup> Director Yuriy Krapivin, a Korzhakov-Barsukov deputy, in charge of Korzhakov's SBP.

In 1995 and 1996 the FSB reported that a total of about 400 foreign intelligence officers were uncovered working in Russia and put under FSB surveillance. The FSB also claimed it neutralized the activity of 39 foreign intelligence agents who were Russian citizens and stopped more than 100 attempts by Russian citizens to pass secret information to foreigners. A spate of articles in the national and provincial press by FSB spokesmen boasted the service's role in protecting the state from foreign subversion. FSB Director Kovalev said, "There has never been such a number of spies arrested by us since the time when German agents were sent in during the years of World War II."

One of the cases was that of US Army Captain Jason Lynch, who the FSB accused of conducting intelligence activities. The US State Department refuted the Russian charges on 11 August 1995, adding that Lynch, a West Point instructor, left Russia as originally scheduled following an official Russian protest that he had engaged in intelligence activities. According to the State Department spokesperson, "those charges are absolutely unfounded. Captain Lynch was engaged in an environmental study of radiological contamination along the Yenisey River in Eastern Siberia at the invitation of the Institute of Biophysics. All of Captain Lynch's activities in Russia were under the direction of and in conjunction with his Russian hosts."<sup>134</sup>

The Yeltsin administration in October 1997 and January 1998 made broad new categories of environmentally related information subject to secret classification. These include defense-related meteorological, geological, and cartographic work; the surveying and production of precious minerals; and the use of land and water by security services. The Yeltsin administration also instituted policies mandating that all information pertaining to military nuclear facilities be classified state secrets in response to damaging revelations about environmental problems by former military officers and others.

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The FSB arrested individuals on false pretexts for expressing views critical of the government, including harsh criticism of the security services. The FSB also targeted national security and environmental researchers. The Russian press indicated those Russian citizens interested in military issues or military-industrial polluters became FSB targets.

For example, the FSB arrested Vladimir Petrenko, a former military officer in Saratov Oblast, in mid-1995 following his research into the danger posed by military chemical warfare stockpiles. He was held in pretrial confinement for seven months on what Amnesty International and Russian human rights observers believe is a trumped-up charge of assault.

A few months later, the FSB accused the Norwegian environmental Bellona Foundation of collecting state secrets on Russia's Northern Fleet in October 1995. The group had gathered material for a second report on the Fleet's nuclear waste. The FSB raided the group's Murmansk office; confiscated all material on the Fleet's nuclear waste sites, as well as computers and video cameras; interrogated researchers working on the study; and searched many of their homes. Others cooperating with Bellona in Murmansk, St. Petersburg, and Severodvinsk also were interrogated and subject to apartment searches.

Viktor Orekhov, a former KGB officer who assisted dissidents under the Soviet regime, was arrested in 1995 and charged with illegally possessing a firearm soon after he made critical comments in an article about his former boss, who was then serving as FSB chief of intelligence for the Moscow region. Within weeks Orekhov was tried, convicted, and sentenced to three years in prison. His sentence was later reduced to one year. Orekhov claimed the FSB targeted him for retribution because of his involvement in human rights, and he cited the speed at which he was tried and sentenced in the usually slow Russian court system. The FSB's influence and interest in the case were extensively reported in the domestic and foreign press.

On 6 February 1996, the FSB arrested Aleksandr Nikitin in his home in St. Petersburg and charged him with high treason through espionage and divulging of state secrets. FSB officials justified their actions by claiming he was involved with the Bellona report on nuclear-hazardous objects of the Russian Northern fleet, which contained state secrets. In addition, the FSB charged that Nikitin used credentials that he had not returned on his discharge from military service, appealed to a colleague and obtained access to information subject to state secrecy, and, for the same purpose, forged credentials to penetrate a closed zone. (See below for details on the Nikitin Case.)

In December 1996, Nikolay Shchur, chairman of the Snezhinskiy Ecological Fund, was held in pretrial confinement for six months following his survey of military pollution near Chelyabinsk.

According to June 1998 Reuters reporting, President Yeltsin took action to step up the Russian counterintelligence service's efforts to protect the nation's economic, constitutional, and computer security. The Kremlin said that at the beginning of 1988 it became concerned about growing foreign espionage activities against Russia, including the use of computer networks.

Some senior officials expressed concern about the spread of the Internet in Russia, saying that computer hacking and computer-related crimes pose a serious threat to national security. But FAPSI said its lines are impregnable to hacking due to high-tech, antibugging devices and top-secret data encryption. FAPSI is now marketing some of its voice and data encryption technologies for common use.

FAPSI further said foreign secret services were massively intruding "with the aim of influencing state structures, banks, industrial enterprises, scientific organizations and mass media." Senior intelligence officials frequently denounced suspected Western interference in Russian domestic affairs. The concern was so great that Yeltsin discussed the issue with FSB head Kovalyov.

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## Kovalev Out—Putin In

For reasons not totally clear, Kovalev was fired. On 25 July 1998, Yeltsin nominated Vladimir Putin as FSB Director. The Russian and foreign media knew very little about the new boss of the FSB and latched on to his past in the KGB and his less than cuddly media image. Putin became a permanent member of the Security Council at the beginning of October 1998, and at the end of March 1999, the Secretary of the Council. His position as FSB Director gave him also a seat on the Interdepartmental State Defense Orders Commission.

The Russian press floated various theories about why the Kremlin replaced Kovalev with Putin, a Yeltsin loyalist who reportedly had ties to Chubays.<sup>135</sup> The reports and commentaries, however, tended to view the “reliable” Putin’s appointment as an effort to ensure the FSB’s loyalty in the event of a socioeconomic crisis or some other crisis scenario, such as moves against Yeltsin by the Duma or others, or a Yeltsin dissolution of the Duma.

As early as 22 July, the Boris Berezovskiy–financed *Nezavisimaya Gazeta* implied that Yeltsin wanted a more dependable figure in control of a key “power department” in the event of a political crisis. The newspaper maintained that the Kremlin was “unable to forecast” how Kovalev would behave if the Duma impeached Yeltsin.

The newspaper later maintained that Kovalev had refused to help the Kremlin prepare the ground for a Yeltsin third term by conducting “large scale political investigations” of Yeltsin’s 2000 presidential rivals.<sup>136</sup> On the other hand, *Russkiy Telegraf* and *Komsomolskaya Pravda*, controlled by Berezovskiy rival Vladimir Potanin, saw Kovalev’s removal as politically motivated.

In the 28 June issue, Yelena Tregubova wrote that Yeltsin had found a “strong” “Chubays man” in Putin, then chief of the president’s Main Control Administration, to “gather the power ministers into a single strike force” and “prepare for the fall season.” Putin would be a reliable FSB chief

who would oppose an anticipated “fall offensive” by “hard-line reds,” “some regional leaders,” and “malcontent oligarchs.” Igor Chernak, writing in *Komsomolskaya Pravda*, maintained that Yeltsin saw Kovalev as “unreliable” in view of the forecast of a “hot fall” and “talk” of coup plots.<sup>137</sup>

Communist (CPRF) Duma opposition leader Gennadiy Zyuganov expressed concern over Kovalev’s replacement by Putin. Zyuganov claimed that the change might signal the beginning of a “creeping coup.”<sup>138</sup>

Putin’s appointment was the latest by Yeltsin to return the intelligence agency’s clout by tapping into the KGB’s experience of imposing control and gathering information. Putin kept his FSB job until 9 August 1999 when Yeltsin made him Acting Prime Minister. His FSB position was given to Nikolai P. Patrushev.

During a 25 July 2000 speech marking the promotion of officers during a ceremony in the Kremlin, Prime Minister Putin said that he was against reuniting the country’s intelligence services into a single unit modeled on the Soviet-era KGB. “We do not need this,” the president said, “but each of the services should be close enough to the other to feel its shoulders.”<sup>139</sup>

While dismissing the idea of the restoration of the old Soviet State, it is hard not to notice what was happening in Moscow. In early March 2000, Alexander Korzhakov, a prominent member of the Russian parliament and former Yeltsin top adviser, called for the KGB’s restoration. Korzhakov said that those opposed to the KGB “now admit that the dissolution of the agency gained us nothing . . . It’s time for us to unite all our secret services into a tight fist and strike at those who are preventing us from living normally. Russia needs a KGB. Let’s stop being coy about it.”

During Putin’s visit to India in October 2000, the FSB signed an accord with the Indian Ministry of Internal Affairs on “the mutual protection of classified documents,” according to the Russian Government’s press office on 3 October. The

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accord adopts the third agency rules, which requires both services not to provide any secret data to another service. It also makes Russian secrets Indian secrets, thereby potentially making an Indian citizen a criminal in his/her country if he/she has unauthorized access to Russian documents.

### **Under President Putin: FSB Supplants the “Old Guard”**

The Moscow Institute of Political Research Director Sergei Markov said that President Putin views the two kinds of oligarchs in Russia as separate and distinct. The “old” oligarchs, who include Berezovsky, Potanin, Mikhail Khodorkovskii, Mikhail Fridman, Petr Aven, Rem Vyakhirev, and Vakhit Alekperov, became rich from sweetheart deals with the former government. Putin viewed them as political opponents who must be destroyed because of their political skills.<sup>140</sup>

Taking a page from Soviet Communist Party founder Vladimir Lenin who used the secret police to arrest rich Soviet industrialists and businessmen, Putin made legal moves against his country’s industrial titans. Vyacheslav Soltaganov, chief of the Federal Service of Tax Police (FSNP), reported to Putin regularly on the FSNP’s tax evasion and money-laundering investigations against them. After one reported meeting, the FSNP, the office of the procurator-general, and FSB redoubled their investigative efforts against firms connected with Potanin, Alekperov, and Berezovskiy. In addition, they intensified their pressure on Vladimir Gusinsky and his media empire.

The second, or “new,” oligarchs included Roman Abramovich, Aleksandr Mamut, Oleg Deripaska, Sergei Pugachev, and many lesser-known businessmen. Putin viewed them as potential allies because he believed they would easily fall in line, but this has not been the case. These oligarchs came under the same scrutiny by the FSB as the “old ones.” Sibneft head and leading Yeltsin-era oligarch Abramovich<sup>141</sup> was summoned to a Moscow police station for questioning about tax evasion. For some media commentators, these

moves suggested that Putin finally begun a quiet but sweeping purge of the corrupt officials and businessmen he inherited from Yeltsin.

Although Sibneft was losing its position as “one of the main fuel suppliers,” the real target behind the targeting of Abramovich was Deputy Defense Minister General-Colonel Aleksandr Kosovan, a “little known . . . grey cardinal” who, earlier press reports charged, “stands in one rank with Abramovich” and other oligarchs. In charge of troop housing construction and billeting since 1992, Kosovan was said to be “the main military oligarch” who, among other malfeasance, fictively wrote off as spilled or lost “one half” of the fuel and lubrication materials he bought for the army. He then sold the “spillage” on the open market, splitting proceeds with his suppliers for the military.<sup>142</sup> The media suggested that Abramovich was being pressured to help the Kremlin deprive his onetime ally and partner Berezovskiy of Sibneft funds.<sup>143</sup>

### **Putin’s Second Year**

Putin took further action as he began his second year as President. He made a number of appointments, which some Russia media interpreted as the start of the long-awaited and long-promised “purging of the oligarchs.” Others, however, considered Putin’s moves feeble and meandering. They saw the shakeups in the government and in government-owned businesses as merely an extension of the old interoligarch battles. The only difference being that younger pretenders were not fighting for spoils. While some skeptics saw Putin’s appointments as further proof of his perceived weakness, many others noted the many FSB and KGB alumni among the new faces and argued that Putin’s “house-cleaning” would end with the FSB in control of large parts of Russia’s economy.

Since mid-May 2001, Putin removed Yuriy Petrov from the scandal-ridden State Investment Corporation (Gosinkor),<sup>144</sup> eased longtime head Vyakhirev out of Gazprom, and replaced the oligarch-linked Minister of Natural Resources

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Boris Yatskevich.<sup>145</sup> Putin appointed Igor Yusufov as the minister of energy, thereby filling a vacancy that had existed since the president fired Aleksandr Gavrin in February 2001 for poor performance. A graduate of the Academy of Foreign Trade, Yusufov previously worked in the Russian trade mission in Cuba, the Committee for the Protection of Russian Economic Interests, and the Ministry of Industry. He also worked in the state reserves committee, which has close ties to the FBS.

Russians who had been speculating about large-scale cabinet shakeups for a year or more found the appointments of Yusufov and Vitaliy Artyukhov as Minister of Natural Resources to be insignificant and disappointing.

Artyukhov has had a checkered governmental career, most of it in the Ministry of Transport, where he was in charge of highway construction. In 1996 he was made head of the State Tax Service, with Deputy Prime Minister status, but soon was returned to the Ministry of Transport as Deputy Minister.<sup>146</sup> Artyukhov's son, Vadim, is called "one of the main Kasyanovites" (shorthand for supporters of Prime Minister Mikhail Kasyanov, frequently linked to "old guard" oligarchs and officials of clouded reputation) and has been accused of sharing "invisible business ties" to Abramovich and Yeltsin-era court banker Mamut.<sup>147</sup>

Yusufov is reported to have "an extremely scandalous reputation."<sup>148</sup> He is from an "extremely rich clan of Tats (mountain Jews) who are always suspected of buying their high positions." Yusufov is said to have bribed two deputies of then-Prime Minister Sergey Kiriyenko—Viktor Khristenko and Boris Fedorov—in appointing him Deputy Head of the Russian Agency for State Reserves (Goskomreserv), the agency of which he had become General Director before appointment as Energy Minister.<sup>149</sup>

Prior to that, Yusufov was Deputy Minister of Industry in 1996-1997, with responsibility for the gold and diamond sector. At that time, Yusufov was suspected of collaborating in the "illegal and semi-legal export" of raw diamonds "to Israel and Belgium."<sup>150</sup> Yusufov is called a

"close acquaintance" of Deputy Finance Minister and head of the State Fund for Precious Metals and Precious Stones (Gokhran) Valeriy Rudakov, as well as of Israeli diamond billionaire Lev Levayev,<sup>151</sup> both reputed to be allies of Abramovich.

Mikhail Leontyev, a commentator on ORT television who is famed for his caustic editorials, dismissed the latest ministerial appointments as illustrating that "the new dominant principle of our government's personnel policy is to appoint amateurs to ministerial posts, because amateurs are thought to steal less than professionals."<sup>152</sup>

While Putin's appointments maintained the outward appearance of the offsetting "checks and balances" that Yeltsin had employed to play rival factions off against one another,<sup>153</sup> in fact, Putin was conceding less important posts to entrenched interests and putting his own people into key positions. Thus the "old guard" was "nevertheless being squeezed out, albeit very slowly and 'without revolutions'—just as the president promised, in fact."<sup>154</sup> Other commentators, however, explained the pattern of dismissals and appointments in the context of a larger fight by political and business figures from St. Petersburg to expand their own turf by capitalizing on Putin's ties to the region.

Putin's appointments of Artyukhov and Yusufov were deemed unimportant tactical concessions to the "old guard." The real control of these administrative empires was under "Petersburg appointees" Aleksey Poryadkin, First Deputy Minister of Natural Resources for Forests and Wood Products, and Deputy Minister of Natural Resources Yelena Katàyeva, a classmate of Putin from law school who oversees the legal department, including development and site licensing.<sup>155</sup>

The appointment of Aleksei Miller—a Putin associate since St. Petersburg days—to head Gazprom was another sign that Putin "has begun to form his own team," with "the FSB, the SVR, [electricity monopoly] RAO YeES, the oil industry, the presidential administration, the military-industrial complex, and space" up next to be reformed.<sup>156</sup> The proadministration newspaper *Rossiyskaya Gazeta*



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made the same argument that “the command of the country’s main raw-materials bastions has been replaced” because “the country’s leadership” wishes to “secure a greater return from the extraction industries.”<sup>157</sup> Even more dramatically, Moskovskiy Komsomolets, prone to yellow journalism, declared “the ‘taking’ of Gazprom is no less significant than the taking of the Bastille by the Parisians in 1789.”<sup>158</sup>

According to journalist Yelena Kiseleva, there are now so many “Petersburgers” in the government that people “in the coulisses of power” have begun to joke that the Kremlin sends representatives to meet the Red Arrow train as it arrives each morning from St. Petersburg, asking the “pale, clumsy youths” who stumble out whether they are Petersburgers and, if so, whether they would like to work in the government.<sup>159</sup> Other “Petersburg appointees” whom the media have identified include Deputy Minister of Finance Yuriy Lvov, in charge of “financial intelligence-gathering in Russia;” Sergey Vyazalov, named head of Gosznak, the government’s mint; Aleksandr Vasilyev, named head of the Moscow tax police; deputy Director of the Federal Tax Police Sergey Verevkin-Rokhalskiy; “head of the [tax police] operative division” Vladimir Vorozhtsov; and Vladimir Chernov, new head of Gosinkor.<sup>160</sup>

Some media have begun to note that, in addition to their connections through St. Petersburg, many of Putin’s appointments also are tied in one way or another to the KGB or its successor, the FSB.

Chernov, for example, not only served in the “Soviet-Finnish Trade Mission” when Putin was head of St. Petersburg Committee for Foreign Trade Relations, but is also rumored to have served in the “foreign intelligence directorate” of the KGB with Defense Minister Sergei Ivanov. Ivanov is said to have lobbied for Chernov’s appointment, suggesting a concerted effort by the security services to control potentially lucrative Gosinkor.<sup>161</sup> Another report said, however, it was Chernov himself who “actively sought this position through the presidential administration.”<sup>162</sup>

The Russian Agency of Political News characterized Chernov’s appointment to mean that Gosinkor “had now passed into the direct control of the special services FSB].”<sup>163</sup> It was asserted that Deputy Director of the FSB Yuriy Zaostrovstsev—“an experienced warrior against illegal financial operations” because of his “recent experience with similar questions in the [Gosinkor-affiliated] Guta-Bank”—would shortly be named First Deputy Chairman of the Central Bank.<sup>164</sup>

Another article predicted that an important financial source would also soon fall to the FSB, which is pushing to install “KGB colonel Aleksandr Kozlov” as head of the State Repository for Precious Stones and Precious Metals (Gokhran), a position Kozlov had held “in the early 1990s” when this was Gokhran.<sup>165</sup>

According to another report, the Deputy Director of Economic Security in the FSB, “Colonel Zhukov, has already been seconded” to work in Gazprom and may “soon be joined” by a senior colleague, “General Nurgaliyev,” who may become Deputy Director of Gazprom.<sup>166</sup>

Putin appointed former SVR chief Vyacheslav Trubnikov first deputy of the Minister of Foreign Affairs and the presidential envoy in the Commonwealth of Independent States (CIS) countries in June 2000.<sup>167</sup> According to Russian media, Trubnikov’s appointment suggested a tougher Moscow line toward the CIS and Baltic countries. At the same time, it signaled the comeback of Primakov and his team to the foreign policy arena as Primakov joined Putin’s administration as the coordinator of Russia-Moldova settlement.

Trubnikov’s appointment apparently paid off. At the CIS summit in Moscow—21-23 June 2000—these countries supported Putin’s request to establish “a joint anti-terrorist center.” The center, to be located in Moscow and funded by the Russian Government, was to be headed by FSB Gen. Boris Mylnikov.<sup>168</sup> Although the center is to coordinate antiterrorist efforts across the CIS, its responsibilities in this area will be extremely limited since it would have no combat units under its direct control.

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The center is viewed by many as a means by which Moscow wants to try to regenerate the CIS by bringing into play the threat of a common enemy and to gain support for Russian policies in Chechnya. The Moscow endeavor may be doomed to failure because CIS members confront different security challenges and because there is no consensus on Chechnya.

On 7 August 2000, Putin named career KGB officer Yuriy Demin first deputy minister of justice. Demin joined the KGB in the 1970s. From 1992 to 1997 he served as the chief of the FSB's legal service. In 1997 he became chief military prosecutor for the Russian Federation. Although functionally a deputy of former Prosecutor-General Yuriy Skuratov, Demin supported the Kremlin in its clash with Skuratov.

In a possible move to counteract criticism of Putin's moves, former KGB chief of foreign intelligence Leonid Shebarshin praised Putin's use of former KGB officers in his administration as "both natural and reasonable." He noted that many of them had already proved their value in service to Russia. He also commented that both American and British governments had badly miscalculated in thinking that Russian counterintelligence is now "dead." The cases of Platon Obukhov and Edmund Pope, he said, "show just how wrong they have been."<sup>169</sup>

Prime Minister Kasyanov appointed Colonel-General Aleksei Shcherbakov to be first deputy communications minister, making him responsible for controlling the country's telecommunications infrastructure.<sup>170</sup> A KGB veteran, Shcherbakov had been the first deputy of the SVR. His appointment was another sign that Leonid Reiman, the communications minister, was turning his ministry into a "special service" for the Kremlin.<sup>171</sup> Earlier this year, Reiman authorized the introduction of government monitoring of telecommunications, known as SORM, and allowed the FSB to have anonymous access to the files of users.

Putin appointed SVR veteran Mikhail Dmitriev as the Defense Ministry official responsible for the rearmament of the country's defense forces and also for the export of weapons and military

technology.<sup>172</sup> Until August 2000, Lieutenant-General Dmitriev directed the SVR's analytic information directorate.<sup>173</sup> His appointment followed the consolidation of the Rosoboronprom under another SVR veteran, Andrei Belyaninov. Their appointments gave Putin direct control over these two key areas.

On 26 March 2001, Putin announced senior personnel changes at three key security agencies: the Security Council, the Defense Ministry, and the Interior Ministry. Sergei Ivanov, who had been in charge of the Security Council, became defense minister. Vladimir Rushailo, who had been at Interior, replaced Ivanov at the Security Council, and Duma Unity head Boris Gryzlov took over at Interior.

The shift of Ivanov to the Defense Ministry in no way reduced his broader security role. Rather, it gave him a new bureaucracy to support his policy ideas. One indication of that were Ivanov's plans to transform the Defense Ministry's 10th Chief Administration from a body supervising defense treaties and representations into a more general strategic planning center. The revamped administration was renamed the Administration for Military Policy. SVR General Dmitriev would head its International Relations department.<sup>174</sup>

Putin appointed two members of the so-called St. Petersburg Chekist gang to help new Interior Minister Gryzlov. The former chief of the FSB Personnel Department, Col. Gen. Yevgeniy Soloviev, became head of the ministry's Department of Cadres and Organizational Work, and the former head of the St. Petersburg Special Procuracy for State Security Matters, Vitaliy Merzlyakov, was installed as the head of the ministry's Investigative Committee. In addition, yet another deputy minister, Vladimir Vasiliev, an Interior Ministry functionary who was ousted by former Interior Minister Rushailo, joined them.

It did not take long before these FSB generals effectively took over the Interior Ministry, despite the traditional mistrust between the police and the security organs.<sup>175</sup> It was suggested that this was in many ways a good step because the FSB was

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significantly less corrupt than the Interior Ministry has been. But one danger noted was the imported FSB officers might assume total control of the Interior Ministry, and their actions there might become a model for the takeover by the security agencies of other bodies.

Summing up recent appointments, commentator Gennadiy Vasiliyev, writing in the Krasnoyarsk newspaper *Komok*, described Putin as “actively and methodically” moving in “two directions” in order “to change the existing political reality within the country, or more precisely, to create a parallel reality,” by drawing Putin’s “Petersburg comrades . . . more insistently into the political orbit” and by strengthening his power “in the power ministries (to be precise, by [placing] FSB people [there]).”<sup>176</sup>

However, claims that Energy Minister Yusufov is also a “rank-and-file FSB” agent suggested that the FSB’s movement into finance and industry—if it is taking place—is not monolithic, or necessarily a strengthening of Putin’s hand. Neither should it be assumed that Putin is an automatic and uncritical supporter of the intelligence services.<sup>177</sup>

Speaking to American journalists after his meeting with President Bush, Putin said “both . . . [the Russian and US special services] do a poor job. They do not do anything interesting. They only get in the way.”<sup>178</sup>

## Changes in the FSB

In May 1997, President Yeltsin signed an edict reorganizing the FSB. According to this document, five departments were introduced in replacement of the existing directorates and services—there were formerly 34 directorates. They were transformed into departments to enhance manageability. According to news reports, within a few months thereafter, the SVR, the border guards, and FAPSI were possibly expected to be cojoined with the FSB—restoring the KGB almost in full—but this did not occur.

After Yeltsin appointed Putin as Prime Minister, he named Patrushev to be FSB chief. Patrushev’s Deputy Director was Colonel General Kovalev—former FSB chief previously ousted by Yeltsin—who was now responsible for the Investigations Directorate, Directorate for Economic Counterintelligence, and Operational Reconnaissance Directorate.

In 1992 the FSB Investigations Directorate was abolished, but in 1995 it was reestablished. The unit takes an active part in combating illegal trafficking in weapons and drugs, corruption, and crimes in the sphere of the economy and organized crime. In 1995 it had more than 1,000 ongoing cases under investigation.

In July 2000, Gen. Col. Aleksandr Tsarenko, the chief of Moscow’s FSB division, was removed and replaced by Valentin Vlasov, the chief of the Moscow FSB Counterintelligence Department.<sup>179</sup> The newspaper believes that Tsarenko was replaced because of his close ties to Moscow mayor Yuriy Luzhkov.

President Putin named Lt. Gen. Sergei Smirnov to replace Aleksandr Grigoriev as head of the St. Petersburg branch of the FSB. Apparently there was a conflict between Grigoriev and another Putin loyalist, Viktor Cherkesov, who is the presidential envoy in the Northwest Federal District. Grigoriev evidently angered Cherkesov because of the FSB’s investigation of the latter’s ties to the Tambov organized crime group. Grigoriev had also expressed skepticism about charges that the former deputy head of the city council, Yuri Shutov, was involved in organizing contract murders. Shutov fell from favor and was arrested after Putin, then FSB director, secretly visited Switzerland in 1999 to cover up Kremlin corruption cases.<sup>180</sup>

Under the revised law on Russian foreign intelligence of January 1996, the FSB is also authorized to work outside Russia in certain target areas in cooperation with the Russian foreign intelligence services. The FSB is also seeking expanded cooperation with the intelligence and secret services of the other former Soviet republics.

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In September 1996 the managers of most CIS secret services initiated an information system for their managers of the security organs and special services to improve the communication between the involved secret services. A central data bank was established in September 1996 at the FSB, which serves to support the fight against organized crime.

## Returning to Yesteryear

During the Edmund Pope trial, an FSB officer approached Andrei Andrusenko, one of Pope's Russian lawyers in the corridor outside the courtroom. Andrusenko had previously said he was under physical surveillance and that his mobile telephone was probably tapped. The FSB officer warned him to be careful. "You lawyers need to know," he said, according to Andrusenko, "the spy will sooner or later go, but you remain in this country, and it's not known who will be next on trial." The veiled threat is an indication of "what many Russian specialists say has been the growing influence and prominence of the security services under President Vladimir Putin . . ." <sup>181</sup>

## FSB and the Media

On 11 May 2000, the Interior Ministry's Main Directorate for Fighting Economic Crime, the Prosecutor-General's Office, and the tax police raided the Moscow offices of Gusinsky's Media-MOST Group to carry out a search. The search was part of a criminal investigation into former Finance Ministry officials suspected of abuse of office. Media-MOST denounced the action as one of "lawlessness" that was linked to recent reporting by its media outlets on government corruption.

In an article dated 12 May, entitled "Machine Guns in the President's Press Service," "Segodnya" claims that the Media-MOST Group was preparing a series of articles on corrupt high-level law enforcement officials, including Deputy General-Procurator Sabir Kekhlerov and FSB Deputy Director Zaostrovstsev, who also heads

its department for economic counterespionage. As part of its investigation, "Segodnya" claims it sent letters of inquiry to these officials. Instead of responding to the journalist's questions, these officials instead decided to send armed masked men to raid the Media-MOST offices. According to "Segodnya" it was Kekhlerov who signed the order to initiate criminal charges, and it was Zaostrovstsev who supervised the raid. <sup>182</sup>

In a letter dated 12 May to President Putin, the Committee to Protect Journalists (CPJ) said that the action against Media-MOST, coming only four days after his inauguration, "raises serious questions about his commitment to a free and independent press." The CPJ also pointed to contradictory explanations (financial irregularities, criminal investigation, and illegal eavesdropping) of the raid given by officials from various government agencies. <sup>183</sup>

In an interview with ITAR-TASS on 11 May, FSB spokesman Zdanovich denounced criticism directed against his agency over the Media-MOST raid. He said, "suggestions that the case was 'political' and represented an attempt 'to put pressure on the mass media' has nothing to do with what is really taking place." Zdanovich insisted that the investigation concerned violations of tax laws. Meanwhile, the law enforcement officers told Interfax that they discovered unauthorized eavesdropping equipment in the Media-MOST offices. <sup>184</sup>

The mounting criticism of the raid on Media-MOST prompted a response from the presidential press service. It announced that Putin is "firmly convinced that freedom of speech and freedom of the media are immutable values" but added that, with regard to criminal investigations, "all are equal before the law no matter what business they are in."

The Secretariat of the Union of Journalists published a statement appealing to Putin to counter the unconstitutional actions of the FSB. <sup>185</sup> The statement also expressed a lack of confidence in the leadership of Media Minister Mikhail Lesin, who "has done nothing to strengthen the freedoms of the

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media.” The previous day, Lesin said “that there are no grounds to believe that federal powers are trying to put pressure on the media and that the raid on the Media-MOST Group will not affect the operation of that holding company’s media organs.”<sup>186</sup>

On 15 May, Media-MOST Group accused the FSB of manufacturing incriminating evidence: “The use of open disinformation, falsification and fraud by government-controlled media and law-enforcement officials show such methods are becoming state policy.” Russia’s prosecutor-general, however, said the search was justified and was aimed at finding evidence of eavesdropping by Media-MOST’s security service. Deputy Prosecutor-General Vasilii Kolmogorov said, “claims the media are coming under pressure are completely false.”<sup>187</sup>

A Moscow court in early June 2000 agreed with Media-MOST that the police raid was illegitimate. The court ordered the return of the documents seized by the police. The Prosecutor-General’s Office stated that it would appeal the court’s decision.<sup>188</sup> Media-MOST also filed suit against the FSB.

A district court in Moscow ruled in favor of Media-MOST in its lawsuit against the FSB for “slandering its business reputation” as a result of information the FSB made public in early 2000. The FSB had suggested that Media-MOST was involved in illegal surveillance activities and the distribution of compromising materials. The court held that the FSB must apologize for its indiscretion on ORT television during prime time. But Aleksandr Zdanovich, head of the FSB’s public relations center, said that the court lacked jurisdiction and that the FSB would not follow its orders.<sup>189</sup>

The FSB sued Media-MOST—obviously seeking revenge—and its newspaper, *Segodnya*, because of articles suggesting that the FSB put pressure on the justice system concerning holdings of owner Gusinsky. The FSB suit claimed that “*Segodnya*” was “undermining the professional reputation” of the FSB and demanded that “*Segodnya*” acknowledge that its reporting was “false.” In December 2000, a Moscow court agreed with the FSB and ordered

Media-MOST holdings and its “*Segodnya*” newspaper to publish retractions of their statements.

In addition, Russian security services became increasingly sensitive that the United States might be using public information to develop intelligence about Russia. The FSB wanted to restrict the public flow of such information. According to previous press reports, American intelligence agencies have noted the potential significance of open sources.<sup>190</sup>

In September 2000, Russian political figures sharply criticized the classification of portions of the state budget concerning the government’s media activities. This classified section includes rubrics, such as “information countering” and outline expenditures of 200 million rubles (\$7 million).<sup>191</sup> These budgetary arrangements reflect decisions codified in the National Information Security Concept that Putin approved in June. This document, drafted by former KGB officers, identified both external and internal media enemies and thus recalls the work of the Soviet-era KGB Fifth Directorate, which worked against “ideological diversions.”<sup>192</sup>

The National Information Security Concept has also led to a crackdown against journalists and the media. In November 2000, then Russian Security Council Secretary Ivanov said that the new information security doctrine not only imposes constraints on dissemination of secret information but also on the use of unclassified information “obtained in an illegal way.”<sup>193</sup> This was clearly shown between 10 and 17 November 2000 when FSB and military procuracy officers searched investigative journal *Versiya*’s offices during an FSB investigation on the “Kursk” disaster. The FSB was particularly interested as to the source of a published satellite photography purportedly showing a damaged US submarine in Bergen after the sinking of the “Kursk” in the Barents Sea. The photograph could have been leaked to the media by the military, which maintained that the “Kursk” sank as a result of a collision.<sup>194</sup> The photos, according to the Glasnost Foundation, served as the basis for a criminal investigation.

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Norwegian experts, however, said that the photo was a fax and included a Norwegian vessel, which sank four years previously. Photos later published by *Versiya* are spy satellite photos of British and Norwegian navy bases.

On 10 November, the FSB confiscated the desktop computer of Dmitri Filimonov—*Versiya*'s investigation desk editor. Filimonov was also interrogated for four hours about who gave him the photo; the FSB later removed the editor's documents relating to the "Kursk." According to Filimonov, he had received the photo from an "unknown person who gave him a diskette with information in an envelope."<sup>195</sup>

On 25 April 2001, Andrei Luchenko, Military Procuracy spokesman, said that officers of his agency searched the apartment of Valeriy Shiraev, the deputy chief editor of *Novaya Gazeta*.<sup>196</sup> Luchenko said that the search was not because of Shiraev's journalistic activity but because he is a former FSB employee. He said that military prosecutors have opened a criminal case against him and several other Media-MOST security officers who have intelligence backgrounds for "divulging state secrets."

### **The Roots of Putin's Attack on Media Freedom<sup>197</sup>**

Russian President Vladimir Putin's current campaign against independent media outlets has its roots in Russia's National Security Information Doctrine (NSID), which was drafted by the Presidential Security Council and approved by Vladimir Putin at the end of June (2000), represents a serious challenge to the still-fragile independent mass media of the Russian Federation. Despite its breadth—this 40-page document covers everything from the development of the national telecommunications market to questions of intellectual property—the new doctrine is united by a single idea: the need to increase governmental control over the flow of information by establishing a legal basis for such control.

The NSID was prepared by people whose careers dispose them to conceal and manipulate information rather than to make it public. More than 90 percent of the staff of the Russian Security Council consists of former KGB generals. In preparing this document, they co-opted the seven administrators of the newly created superdistricts, five of whom have military and intelligence agency backgrounds.

While nominally committed to freedom of the press and the prohibition of censorship, the document includes language, which appears to subvert these general principles. According to the newly approved doctrine, individual Russian citizens currently face a number of threats from the media, including the "use of the mass media for restriction of the human right for the freedom of conviction," "the propaganda of mass culture based on a cult of violence and values in violation of norms accepted by Russian society," and "the misuse of freedom of information" by the media.

Russians, the document continues, face even greater threats from abroad, including "the activity of foreign states, international terrorist and other criminal entities, organizations, and groups directed at infringement of the interests of the Russian Federation in the information sphere, reduction of state influence on the life of society, and diminishing economic ability of the state to protect the lawful interests of citizens, society, and state in the informational sphere," and even "growing dependence of the spiritual, political, and economic life of the country on foreign information structures."

Such sweeping statements perhaps portend a darker future for media freedom in Russia, but the doctrine's first fruits have begun to appear already. On 22 June, for example, Putin signed an amendment to the press law that bans "the dissemination and propaganda" in the mass media and computer networks about "methods and techniques of preparation, production, acquisition, and use" of illegal drugs and their precursors. While many may welcome this effort to fight the scourge of drugs, they may be less pleased by the precedent it sets to fight the freedom of the Russian media.

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## FSB Legalizes Monitoring of Internet<sup>198</sup>

A Russian Communications Ministry directive issued on 25 July (2000)—demanding that all state and private operators of telephone, cellular, and paging communications, as well as Internet service providers, open their lines to monitoring by the Federal Security Service (FSB)—has sparked remarkably little controversy in Russia.

According to the directive, the operators of wiring and nonwiring communication companies must design and install monitoring and eavesdropping equipment configured for their networks. These firms must also obtain FSB approval of the system, known by its Russian abbreviation of SORM. Further, the operators must reveal to the agency all access keys to their networks, and the operators must integrate the SORM into their networks, get certification of the equipment from the agency, and train the FSB officers working with the equipment.

The document places particular stress on the principle that all information on SORM must be kept secret, and the FSB should use SORM without the knowledge of the network clients.

When the SORM project first surfaced in 1998, it caused a public uproar in Russia. But now, as it has been put into practice, its provisions have sparked little or no controversy. On 22 and 23 August, “Segodnya” explained this lack of reaction by the division between providers and users. Most Russian telecommunication providers are inclined to accept SORM regulations as regrettable but inevitable. Some even argue that the new regulation does little more than codify existing practice. They claim that the new edict can bring together numerous legal norms or loopholes that give the secret services access to public telecommunications. The only objection these providers have is that they must bear the cost of installing the expensive monitoring equipment.

Users, on the other hand, view this directive as a violation of the country’s constitution. Many of them argue that it points the way to further restrictions on freedom of information and the

mass media. But their voices have not yet found a spokesman in the central media or political system.

In October 2000, Sergei Kabanov, an FSB officer, argued in an article posted on <http://www.fsb.ru> that government monitoring of communications under the SORM system would be undertaken exclusively as part of the fight against crime and espionage. He asserted that the FSB has stayed within the law and became a member of the Russian Association of Document Telecommunications. But he failed to mention that almost half of the crimes against which SORM nominally is directed are not under FSB’s tasks.

## Crackdown on Russian Scientists

A special problem for the FSB is the control of Russian scientists, many of whom possess or have access to valuable defense and R&D information. Like their US colleagues, many Russian scientists believe that free access to information and ideas is vital to progress in their field. They chafe at security restrictions and do not always respect them.

Many of these Russian scientists feel the need to remain informed on developments outside Russia in their areas of expertise and seek contact with Western counterparts. This is of special concern to the FSB because of fears that Russian scientists are attractive recruitment targets by Western scientists working for CIA or other foreign intelligence services. In an attempt to control and possibly discourage any long-term or social contact with foreign scientists, new restrictions have been promulgated.

In addition, Russian intelligence services have used a list of state secrets, falling under more than 700 rubrics, that was prepared by the Defense Ministry even though the presidential-approved list includes only 22 secrets.<sup>199</sup> Because of that confusion, there is a lack of clarity in Russian regulations about what is a secret and what is not, which is increasingly a problem for the courts. Over the last several years, the FSB has reported arresting 13 spies as well as preventing “35 attempts to

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transfer classified information abroad”—including Nikitin and Grigoriy Pasko, who were charged with disclosing ecological information abroad; diplomat Valentin Moiseyev, who was sentenced for giving the draft of a treaty to South Korea; and Aleksandr Sakov, who was accused of giving job-related information to an Israeli encyclopedia.

Gennadiy Mesyats, the deputy president of the Russian Academy of Sciences, acknowledged that the Russian authorities have imposed new restrictions on scholars’ foreign contacts, but he said that the state is “entitled to hold its scientists to account” and that “the whole business has been blown out of all proportion.”<sup>200</sup> One newspaper article reported that the rules represent “a throwback to the Soviet era” and will become obstacles to research.<sup>201</sup> Meanwhile, it was reported that voluntary informers reporting to the Interior Ministry, the FSB, and other security agencies now number in the thousands.<sup>202</sup>

Russian scientists said that they would largely ignore the directive. One scientist said he had seen the directive but “did not pay much attention to it.”<sup>203</sup>

### **FSB Takes Charge of Chechen Operations**

By a decree, in January 2001, President Putin presented FSB Deputy Director German Ugryumov with the Hero of Russia order for his work in Chechnya. An admiral, Ugryumov supervised the FSB Department for the Protection of Constitutional Order and the Struggle Against Terrorism, as well as being in charge of the Alfa and Vypel Special Forces units.<sup>204</sup>

Later that same month, Putin placed the FSB in charge of the Chechen campaign. Declaring that the Chechen operation had entered a new and final phase, Putin transferred control of military actions there from the Defense Ministry to the FSB, Russian and Western agencies reported. FSB Director Patrushev was to have overall control with Ugryumov having day-to-day responsibility. Security Council Secretary Ivanov said that Putin’s decision was logical because basic combat operations were completed; though

opinion polls show that more than half of all Russians do not believe that there has been any change there in the last year.

Gennadiy Solovev, FSB first deputy director of the department for the defense of constitutional order and combating terrorism, told Duma deputies investigating missing persons in Chechnya that Moscow should restore the practice of passing sentence on accused criminals in absentia.<sup>205</sup>

### **Celebrating Chekist Day Again**

After the fall of the Soviet Union in 1991, celebration of Chekist Day became almost non-existent. Only a few people marked the day, but no officials from the government did so. Putin, who was then serving as Prime Minister, revived the celebration.

Speaking at a Kremlin celebration of the “Day of the Security Services Worker,” President Putin noted that in the past, “Chekists<sup>206</sup> have been blamed for the mistakes and crime of those who were at power.” But now, he said, the secret agencies are serving “not individuals but the country as a whole.” That same day, practically all-Russian media featured stories about and interviews with present and past Chekist leaders. FSB chief Patrushev said that former KGB cadres entering other government agencies reflected the need to introduce “fresh blood” into the political system. Former SVR chief Sergei Lebedev stated that, in the course of the 20th century, “there has not been any place on the planet where a KGB officer has not been.”<sup>207</sup>

The SVR celebrated not only the anniversary of the Cheka but also the anniversary of the establishment of its immediate predecessor—the foreign department of the OGPU, which was founded in 1920. Putin went to SVR headquarters for the celebrations. Others taking part in the commemoration were former KGB/SVR chiefs—Kryuchkov, Shebarshin, Primakov, and Trubnikov—as well as some of its most famous agents and spies, including British defector George Blake.



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In addition, the SVR marked its 80-anniversary by opening its own Internet site at [www.svr.gov.ru](http://www.svr.gov.ru). The site reports briefly on its current activities and more extensively about the past glories of the KGB, including special pages on Pavel Sudoplatov and the activities of Kim Philby and the Cambridge Five.

## **Public Perception of the FSB**

According to a monitoring.ru poll in early 2001, 42 percent of Russians had a positive view of the FSB, with only 19 percent of the 1,600 people polled having a negative one. The poll also found that 39 percent supported the consolidation of all Russian intelligence and security agencies into a single body like the KGB; 22 percent said they opposed such an approach.<sup>208</sup>

In June 2001 nearly 60 percent of Russians said they have confidence in the FSB, up from 44 percent in 1995. Sergei Grigoryants, the head of Moscow's Glasnost Foundation, said "members of the security services are not only proud of themselves, they are also sure that they have come to power in the past couple of years."<sup>209</sup>

## **Putin: A Reflection of Andropov**

In looking at Putin's past, the American press continuously noted his KGB background—serving in the KGB for 17 years and then chief of the FSB before his prime minister appointment. He has spoken fondly of his KGB work and compares himself to Yuri Andropov, a former KGB chief and later head of the Soviet Union for a short period in the 1980s.

Like Andropov, Putin has tried to create the impression that he himself holds liberal views and has succeeded thus far in convincing some foreign observers of this. He is far from being a liberal. His regime is trying to assert more authoritarian political control over Russia. Putin determines government policy for the FSB.

Likewise, Andropov is hardly a model for anyone embracing democratic principles. Andropov favored "repression at home and abroad, spearheading vicious campaigns against dissidents, nonconformists and many others during his tenure at the KGB." Putin is doing the same thing.

When asked about the FSB's repressive policy against Russia's environmentalists, Putin denigrated their motives and attacked their character. He also blamed their existence and machinations on the Western press, foreign diplomats, and foreign intelligence services.

His and the FSB's regressive policies against some Russian citizens have not raised much concern from the Russian public. The political standing of Putin, like the FSB, has risen appreciably.

If Putin does push back the clock and resurrects the old KGB, it will be bad news for the United States and for the Russian democratic process.

## **Specific Cases**

The FSB continue to be suspicious of foreigners and to closely monitor their activities in Russia. The aggressive and hostile attitude by the FSB derives from a mindset inherited from the Tsarist intelligence service called the Okhrana. For example, an FSB spokesman said on 5 September 2001 that FSB officers have broken up an espionage operation by an unnamed South Asian country and have secured the expulsion of the foreign nationals involved.

The former head of the FSB's legal department, Lt. Gen. Sergei Diakov, said that his former agency had acted correctly when it charged journalist Pashko, scientist Igor Sutyagin, and others of "divulging state secrets," even if the information they had in hand was classified or even had been published.<sup>210</sup> According to Diakov, publication of unclassified information could be a crime if compromises state secrets. Diakov further added that revealing state secrets through negligence

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or preparing to disclose state secrets are actions falling under the terms of espionage statutes. And any journalist who obtains information that turns out to be secret can be charged as well.

The FSB sees American travelers as the main threat to the internal security of Russia. It certainly would be to their advantage to nab such a traveler performing an act of espionage or be in a compromising situation, which the FSB could exploit.

Not able to catch “real” American spies, the FSB has turned to “creative” spy cases against Americans either doing business in Moscow or studying/teaching in Russia. The Edmond Pope, John Tobin and Elizabeth Sweet cases are excellent examples of the FSB fabricating false espionage charges against Americans.

The singling out of domestic critics, ecologists and selected groups also points to a resurgence of counterintelligence within the country. Russia has gone through several spy scandals, expelling alleged foreign spies and arresting Russian citizens it accused of espionage. Although several of these cases proved embarrassing, senior government officials have increased their political support for the FSB. In addition, the press articles highlighting the need for a strong FSB suggest that the FSB will continue to take a hard line against Western commercial or academic research in Russia.

Former GRU officer, Col. Stanislav Lunev, probably summed it up best when he said that, “if it can happen to an American citizen, it would be hard to expect any justice and fair treatment for ordinary Russians, who have practically no legal rights and are totally dependent on the special services. Increased powers for these services mean nothing else but a new repression against Russians and more newly fabricated so-called spy cases against Americans and other foreigners rash enough to do business with Russia and uncooperative with its special services.”<sup>211</sup>

### *Lt. Col. Sergei Avramenko*

On 10 July 2000, a Moscow court sentenced Lt. Col. Sergei Avramenko, a Russian military officer assigned to a Defense Ministry’s scientific research institute, to four years hard labor in a maximum-security penal colony for photographing top-secret documents detailing developments in Russian military aircraft electronics. The FSB said Avramenko had worked at the research facility for 15 years and decided to photograph the documents before retiring. He tried to take the documents to an unidentified foreign country in May 1996 and sell them but was foiled by a counterintelligence operation. FSB Promotion Programs Department Chief Aleksandr Zdanovich said that, by its actions, his agency had limited the damage Avramenko might have inflicted on Russian national interests.

### *Anatoly Babkin*

The FSB launched a new round of interrogation of Professor Anatoly Babkin of the Bauman Higher Technical University, who was accused of espionage in 2000 together with US Navy engineer Pope. Earlier questioning was suspended after Babkin suffered a heart attack, but FSB officials insisted that Babkin’s health has sufficiently improved to allow him to face investigators. It was speculated that the renewal of the case might in fact be in retaliation to the arrest of Robert Hanssen (see separate entry on Hanssen) in the United States.<sup>212</sup>

### *Valentin Danilov*

The Krasnoyarsk branch of the FSB indicted physicist Valentin Danilov on charges of spying for China. Danilov, a researcher at Krasnoyarsk Technical University in Siberia, was arrested on 16 February 2001. He faced charges of high treason for passing state secrets to China. The charges are based on a contract between the university and a Chinese company to study the influence of space radiation on satellites.

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Danilov was arrested for passing information that the authorities say was classified, but Danilov and his colleagues argue that it was open source. A group of his colleagues published an open letter saying that recent FSB actions mean that in Russia today “any physicist can be a spy,” regardless of what he does.

On 29 April 2001, FSB officials in Krasnoyarsk brought an additional charge of fraud against Danilov.

On 18 June 2001, Danilov charged that the FSB was using psychological pressures to try to force him to confess to a crime he did not commit. The next day he suffered a heart attack and was hospitalized. Danilov remained handcuffed to his bed and under the surveillance of two guards.<sup>213</sup>

Twenty colleagues of Danilov sent a letter to the Krasnoyarsk Krai prosecutor saying that the lack of substance to this charge shows that, from now on, any physicist can be charged with being a spy.<sup>214</sup> Russia authorities announced that Danilov would be tried in a closed courtroom.<sup>215</sup>

Danilov’s lawyer announced in August that he finished studying the case materials, which paved the way for the trial to begin.

#### *Lt. Col. Andrey Dudin*

FAPSI Lt. Col. Andrey Dudin initiated contacts with the German intelligence agency BND—Bundesnachrichtendienst. The FSB investigation proved his guilt beyond question, and in April 1997, Dudin was sentenced to 12 years.

#### *Major Dudinka*

The arrest of an RVSN [Strategic Missile Forces] officer was reported in March 1997. Major Dudinka was trying to sell information to a foreign intelligence service for \$500,000. He had put highly sensitive information on a diskette concerning the command and control system for a missile army and troop location information. According to FSB Director Kovalev, if he had succeeded, the RVSN would not have any secrets left.

#### *Maj. Igor Dudnik*

In December 1995, FSB personnel detained Maj. Igor Dudnik, a retired officer of the Russian Center for Space Reconnaissance, at a Moscow metro station as he was handing over top secret satellite photographs to Israeli intelligence operative Reuven Dinel. Further investigation by the FSB determined that Dudnik was not acting alone, but with two accomplices, one of whom continued to serve in the Center for Space Reconnaissance of the GRU. All three were arrested. Dinel, working in Moscow under cover as an Israeli Embassy secretary, was declared persona non grata and expelled from Russia.

On 23 March 1998, Dudnik was sentenced to 12 years in prison for selling classified data to the United States.

#### *Moisey Finkel*

Finkel was convicted of espionage after passing information on secret defense research to CIA representatives for monetary reward. According to Russian media, CIA recruited Finkel, a Navy scientific research institute employee, to provide information about new-generation Russian nuclear submarines.<sup>216</sup> Finkel was a specialist in hydroacoustics. The FSB said he agreed to cooperate not for money but to get political refugee status for his wife and mother-in-law.<sup>217</sup>

#### *Makarov*

At the end of June 1997 the Moscow City Court sentenced a certain Makarov, an adviser in the Commonwealth of Independent States and Baltic Division of the Consular Services Department of the Ministry of Foreign Affairs, to seven years imprisonment. The FSB established that the CIA recruited Makarov in the spring of 1976, when he was working at the Soviet Embassy in Bolivia. He continued his espionage activity during official assignments abroad. He was stationed in Spain from 1989 through 1991. Makarov provided a large quantity of secret information to the CIA and received \$21,000 for his services.

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### *Valentin Moiseyev*

The FSB arrested Foreign Ministry official Valentin Moiseyev on 4 July 1998 while Moiseyev was meeting with a South Korean diplomat in his apartment. The FSB also arrested the South Korean diplomat Cho Sung-woo and detained him for a while despite his diplomatic status. Russia later expelled the South Korean diplomat.

Moiseyev was accused of spying for South Korea. The FSB said that the South Koreans recruited Moiseyev while he was serving at the Russian Embassy in Seoul in 1992. After his return to Moscow in 1993, he began to pass Russian state secrets to South Korea while meeting with one of its diplomats. During that time, Moiseyev was head of the Korean Department in the Foreign Ministry.

He was tried and convicted by a Moscow City court in December 1999. However, on 27 July 2000, the Russian Supreme Court voided the sentence. The Supreme Court held that his conviction was obtained with evidence that had been illegally acquired. But at the same time, it handed the FSB a small victory in ordering Moiseyev to remain in custody while telling the FSB that it should look for additional evidence.

On 24 July 2001, Moiseyev demanded that the Russian Supreme Court hear his case. Moiseyev's lawyers said he did so because his trial has been shifted four times to different judges and each time the trial has had to begin again. However, his request was denied and the Moscow City Court conducted a second trial.

On 14 August 2001, the court found him guilty and sentenced him to four and a half years but said that his previous confinement in jail would count toward the prison time. The court also said that all property of Moiseyev should be confiscated.

His lawyer said that another appeal to the Russian Supreme Court would be made but noted that by the time it took to process an appeal Moiseyev's prison term would probably be over. The lawyer also accused the court of divulging Russian State secrets, noting that the court revealed that Moiseyev was a former KGB agent.

### *Alexandr Nikitin*

Alexandr Konstantinovich Nikitin, born 16 May 1952 at Akhtyrka, Sumsкая oblast in the Ukraine, graduated from the Sevastopol Naval Engineer College. He served in the Russian Northern Fleet until 1985. Between September 1985 and July 1987 he studied at the Kuznetsov Naval Academy in Leningrad. After graduating from the Academy, he served in Moscow at the Inspection of Nuclear Safety of nuclear installations of the Russian Defense Ministry.

In 1996 the FSB arrested Nikitin and charged him with espionage and damaging the security of the Russian Federation. He was accused of collecting state secrets with the aim of passing the data to a foreign organization. Nikitin reportedly obtained the classified information from his job as an inspector of nuclear installations, which included the Northern and Pacific fleet nuclear submarine bases, the bases of nuclear submarines on special assignments and laid-up ships, all shipyards and ship-repairing enterprises. The charges also stated that, in September 1995, Nikitin passed this information to a representative of a foreign organization in Murmansk.

In November 1992, because of staff redundancies and his own desire, he retired as a captain and moved to St. Petersburg with his wife. When he retired he signed a secrecy agreement not to disclose information pertaining to state secrets to which he had access or learned during his naval service.

On 12 January 1994, Nikitin obtained a passport. In February and December 1994 and April 1995, he used this passport to travel to Norway. While in Norway in February 1994, he met Robert Bathurst. The FSB stated Bathurst, an employee of the Norwegian Institute of World Problems (PRIO), had previously served in US intelligence.

According to the FSB investigation, Nikitin and Bathurst corresponded with each other, and in the spring of 1994, in Murmansk, Bathurst introduced Nikitin to representatives of the Norwegian public organization "Bellona." They asked him to review

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Version No. 1 of the organization's report, "Sources of Radioactive Pollution in Murmansk and Arkhangelsk Areas."

After reading the report, Nikitin wrote a review and sent it to Bellona in Murmansk. Nikitin also maintained contact with their representatives by phone and during trips to Murmansk. In the winter of 1995, Nikitin signed an independent contract with Bellona for a fee of US \$1,200.

The contract called for Nikitin to write sections of Version No. 2 of the Bellona report, later titled "The Northern Fleet—Potential Risk of Radioactive Pollution of the Region," using his knowledge and to act as a consultant to Bellona.

From February to September 1995, Nikitin wrote the text assigned to him. The FSB stated that, in August 1995, Nikitin asked his acquaintance, V. L. Rudenko—a retired Navy officer also from the Inspection of Nuclear Safety of Atomic Installations in the Defense Ministry—about special literature on accidents aboard nuclear submarines. Nikitin was told that such literature was available at the first Central Scientific Institute of the Armed Forces of the Russian Federation, at the Main Technical Management of operation and repair of the Russian Navy, and at the Naval Academy.

In order to get access to this literature, Nikitin called V. S. Artemenkov—an acquaintance and senior lecturer at the Naval Academy—on 7 August 1995. He asked for permission to enter the Navy's special library containing literature on nuclear accidents onboard nuclear submarines.

Knowing that Nikitin was a retired Navy officer with access to Secret and Top Secret information, including the data on nuclear reactors on the nuclear submarine fleet and surface ships, Artemenkov told him that such literature indeed existed in the Academy's special library. He agreed to provide Nikitin with this literature and arranged for Nikitin to visit the Academy the next day.

On 8 August 1995, Nikitin used his officer's identification card and the pass signed by Artemenkov to enter the Naval Academy. He reviewed the Top Secret books "Incidents Onboard Nuclear-Powered Submarines 1965-1983," issued in 1987, and "Technical Malfunctions Onboard Nuclear-Powered Submarines of the Navy 1984-1987," issued in 1990. He also reviewed the secret books "The Description of the Common Incidents Onboard Vessels and Service Boats of the Navy in 1989," issued in 1990, and "Description of the Common Incidents Onboard Vessels and Service Boats of the Navy in 1991," issued in 1992.

The FSB said Nikitin copied specific information about accidents and incidents on Soviet nuclear submarines from 1965 to 1989. Specifically, the FSB cited six examples from the Top Secret book "Incidents Onboard Nuclear-Powered Submarines 1965-1983" (1987 edition) and two examples from the Top Secret book "Technical Malfunctions Onboard Nuclear-Powered Submarines of the Navy 1984-1987" (1990 edition).

- Pages 103-104—information concerning an accident that occurred when the reactor parameters were checked while the Soviet nuclear submarine K-27 was at full speed. According to the FSB, the expert commission at the General Staff of the Russian armed forces concluded on 10 June 1999 that the information disclosed failures and peculiarities regarding the construction and operation of nuclear submarine K-27 as armament and military technology.
- Pages 95-96—information concerning an accident on the nuclear submarine K-140 that occurred while modernizing work were carried out. The expert commission ruled that the information about K-140 disclosed information on construction failures and peculiarities regarding the durability of domestic nuclear reactors installed at nuclear submarines and also about the usage and operation of nuclear submarines as armament and military technology.

- Pages 104-106—information on an accident aboard the nuclear submarine K-123 as a result of a steam generator operation and emission of coolant into the reactor-compartment. The expert commission concluded that this information disclosed secrets about construction failures in the nuclear power installations, about the nuclear submarine as military technology, and about the usage of newly developed nuclear power installations in military shipbuilding.
- Pages 97-99—information about an accident on the nuclear submarine K-222, which occurred while the submarine was being repaired at a naval shipyard. The expert commission concluded that the information about K-222 disclosed construction failures and peculiarities in the automatic control system of domestic nuclear reactors installed on nuclear submarines and about the usage and operation of the control system of armament and military technology.
- Pages 96-97—information about an accident on the nuclear submarine K-320, which occurred while the submarine was under construction and hydrologic tests were carried out. The expert commission ruled that the information disclosed construction failures and peculiarities in the construction and operation of the nuclear submarine as armament and military technology.
- Pages 67-71—information about an accident on the nuclear submarine K-192, which occurred when the submarine was returning from active service to its base. The expert commission said that the information disclosed peculiarities in the construction of the nuclear reactors and failures in the operation of domestic nuclear reactors installed on nuclear submarines.
- Pages 53-54—information from the publication “Technical Malfunctions” about an accident on the nuclear submarine TK-208 that occurred during an ordinary start of the nuclear installation. The expert commission said the information disclosed data about failures and peculiarities in the construction and the operation of domestic nuclear reactors installed

on nuclear submarines and about the usage and operation of the submarine as armament and military technology.

- Pages 54-56—information about accidents on nuclear submarines K-279, K-447, K-508, K-209, K-210, K-216, K-316, K-208, K-462, K-38, K-370, K-371, K-306 and K-367 and concerning the bodies of indemnification, regulation and emergency protection, and cases of decompression and leaky steam generators. The expert commission ruled that the information about the above-mentioned nuclear submarines disclosed data about failures and peculiarities in the construction and the operation of domestic nuclear reactors installed on nuclear submarines and also about the usage and operation of the submarines as armament and military technology.

Each of these revelations violated Article 5, item 1, paragraphs 2 and 4, of the Russian Federal Law “About State Secrets” dated 21 July 1993, No. 5485-1 (with changes and additions 6 October 1997). This information is confidential and constitutes state secrets.

The FSB investigation further stated that during 19-23 September 1995, Nikitin used the personal computer in Bellona’s Murmansk office to prepare paragraph 2 of chapter 8, “Nuclear-powered submarine accidents.” The FSB said Nikitin added information he had picked up at the Naval Academy, including secret information, and handed it over to Bellona whose representative subsequently forwarded the finalized report, version 2, to Norway.

The FSB also cited the contract Nikitin signed with Bellona, which called for him to prepare several chapters of the report for a fee. The FSB said that, in writing these chapters, Nikitin described naval reactors of the 3<sup>rd</sup> generation and referred to construction peculiarities, which he learned while serving in the Navy. In particular he wrote about problems with the circulation, the system of cooling down and equipment for controlling the state of the reactor on various levels of power, and the system of shutting down the reactor when the submarine overturns.

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During the prosecutor's questioning at his trial in 1999, Nikitin stated that he neither had committed state treason nor disclosed information pertaining to state secrets. He admitted writing the chapters of the report; however, he said he did not use any secret or top-secret information about nuclear submarines in his work. He obtained all the information from open sources, or he knew that open or public available information existed about the topic. During this period he was computer illiterate, so Bellona employees transcribed his written notes onto the computer.

Nikitin insisted that his information came from memory or open sources. He did not deny that he was familiar with some of the information from his service in the Northern Fleet. He claimed that he well understood which information was classified and that the chapters he had written had no such information. In addition, he explained that he had no access to any classified information after 1992.

Nikitin did say that, while working on the report, some information might have come from secret documents, to which he had access during his naval service. Nikitin said he visited the Kuznetsov Naval Academy several times, including 8 August, when he met with Artemenkov. He confirmed that some information in the report came from books he received from Artemenkov, but he could not remember the specific information.

Nikitin said that when he met Artemenkov the latter produced two top-secret books about incidents on nuclear submarines from his safe. They looked through these books, trying to find information on the level of radioactive pollution in the course of the accidents. According to Nikitin, Artemenkov was present in the room and came to the table at which he sat and they looked through the books together. Nikitin said he found only a few pieces of information, which he copied in his notebook.

Experts of the General Staff analyzed the open literature that Nikitin provided to them. They concluded that the handwritten notes in the notebook that was confiscated at Nikitin's residence

contained transcripts of the above-mentioned secret and top-secret books, which he had used on 8 August at the Naval Academy.

During the court hearing, these experts confirmed their conclusion and specified that the information contributed by Nikitin to the report from the open sources was about 60 to 70 percent, while the rest could not be obtained from the open sources. The experts added that it was not important for them whether the information obtained by Nikitin about the submarines was available in the open sources or not. They were guided only by the decrees of the Minister of Defense, which show if the Ministry declassified the information or not.

The experts repeatedly investigated the open sources of the information, which were used by the defendant while writing chapters of the report. They came to a conclusion that, by compilation of the information from the open sources used by Nikitin, it is impossible to obtain concrete data on design features of the reactors of the third-generation nuclear power submarines given in the report.

The court, itself, examined the open-source literature to try to determine if the experts' conclusion regarding the third-generation nuclear reactors was indeed classified. This examination showed that the complete, detailed data on design features and parameters and the operating description of the cooling system, which operated independently of the batteries on the third-generation nuclear power submarines, were previously disclosed in the magazine "Morskoy sbornik" (4:1995) and in a book by D. A. Romanov.

The court also believed that the events concerning nuclear submarines K-27 and K-123 were revealed thoroughly and in books written by A. Pavlov and N. Mormul, which were published earlier. They pointed out that much information was given in *Jane's Book 1987-1988*, which the experts refused to examine.

The court especially highlighted the search of Nikitin's apartment. It was during this search on 5 October 1995 that the FSB discovered the notebook

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and confiscated it. The notes in the book became the foundation for the FSB charges against Nikitin. In looking at the protocol of the search, the court found that this evidence was obtained in violations of Articles 69 and 70 of the Russian Criminal Procedure Code.

The court noted that FSB investigator Osipenko conducted the search at Nikitin's apartment, but when the criminal case was initiated on 5 October 1995, it was given to FSB investigator Maksimenkov. According to the decision made by the chief of the FSB investigation section on 6 October 1995—when the investigation team was established—Osipenko was not included. On 1 April 1996, Osipenko was included on the investigation team by the chief.

During the same time, it was evident from the case files that nobody entrusted investigator Osipenko with conducting the investigative actions, including the search at Nikitin's apartment; therefore, he did not have the right to do so. In consideration of the above-mentioned information, the court found that this evidence—protocol of the search of 5.10.1995—due to the requirements of Article 69, paragraph 3, of the Russian Criminal Procedure Code, was obtained by violating the law and was thus excluded.

The court also stated that, in accordance with Article 29, paragraph 4, of the Russian Constitution, each person has the right to freely seek, receive, pass on, produce, and disseminate information by any legal method. However, in accordance with the provisions of the Constitution, the list of information pertaining to state secrets is stipulated by the Federal Law, while the possible limitations of rights and freedoms of the man and citizen is stipulated only by the Federal Law—Article 55, paragraph 3, of the Constitution.

The court noted that, at the time of Nikitin actions, no such law existed. The only legal act, which regulated the legal relations in the field of protecting the state secrets, became the decree of the Russian president No. 1203 of 30.11.1995.

The court emphasized that the prosecution's use of secret and retroactive decrees as the basis for the case was "in clear violation of the constitution." It stated that the right to environmental information was protected by the Russian Constitution. The court saw no crimes in Nikitin's actions, and it strongly criticized the procedural violations of the FSB throughout the case, starting with its illegal confiscation of evidence back in October 1995.

Based on their view, the court acquitted Nikitin of the charges against him on 29 December 1999. The court said their verdict could be appealed to the Court Collegium on criminal cases of the Supreme Court of the Russian Federation.

When Nikitin was acquitted, the St. Petersburg prosecutor's office immediately announced that it would appeal, and it kept its word. In his appeal against the Nikitin-acquittal, the prosecutor demanded a third City Court hearing, claiming that the acquittal contradicts the facts. More striking, however, is that he wanted the case to be handled "by another judge." Prosecutor Aleksandr V. Gutsan gave no reasons for his claim that the ruling contradicted the "factual content of the case," but hinted that he might come up with more after having "studied the protocol of the court hearing."

The Bellona legal adviser, Jon Gauslaa, believed it would be impossible for Gutsan to substantiate his claim. Two thirds of the verdict dealt with the facts described in the indictment and the evidence of the case. Thus, the verdict was based on the facts. But more important, it was based on the Constitution and not on the secret and retroactive decrees, which was the sole basis for Gutsan's case.

It is easy to understand why the prosecutor demanded another judge. Sergei Golets turned out to be an independent judge. He did not take the FSB's biased allegations for granted but evaluated the case objectively and based his decision on the law.

Although this was a victory for Nikitin, he remained under city arrest in St. Petersburg.



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### *Hans Peter Nordstrem*

Hans Peter Nordstrem, a Swedish military intelligence communications officer, was caught carrying out an operation to contact an agent in St. Petersburg and expelled from Russia.

### *Platon Obukhov*

In April 1996 the FSB arrested former Russian Foreign Ministry staffer and British agent Platon Obukhov, who had been passing political and strategic defense information to MI-6. The FSB characterized the case as the biggest British special service failure since the time of Oleg Penkovskiy.

According to the FSB, British MI-6 recruited him when he was serving at the Russian Embassy in Norway. He was given the codename “Plato.” Obukhov, a second secretary in the North American Department of the Russian Ministry of Foreign Affairs, was educated at the elite Moscow State Institute of International Affairs. He is the son of Alexei Obukhov, a former deputy foreign minister and top arms control negotiator, who played a key role in negotiating the 1987 US-Soviet INF agreement scrapping medium-range nuclear missiles.

Obukhov’s arrest led to the biggest spying scandal between London and Moscow since the end of the Cold War. The diplomatic row led to the expulsion of four British diplomats from Moscow and four Russian diplomats from London.

Obukhov’s family insisted that he was mentally ill from early childhood. His family and his lawyers succeeded in delaying his case for more than four years while they attempted to prove that Obukhov was insane and not responsible for his actions.

In 1997 psychiatrists from the Serbsky Psychological Institute in Moscow said Obukhov was suffering from “reactive psychosis,” a mental disturbance he developed only after his arrest. On the basis of this report, the Russian court found Obukhov mentally incompetent to stand trial and remanded him to a psychiatric clinic for treatment.

After 18 months in analysis, Yevgeniy Krylov, a St. Petersburg-based psychiatrist, certified Obukhov mentally fit and able to stand trial.

According to various media accounts, televised footage from the court session seemed to contradict Krylov’s assessment that Obukhov was psychologically fit to stand trial. A bearded Obukhov, wearing jeans and a jacket, appeared pale and visibly agitated. As he stood in the defendant’s cage he talked to himself, prayed, grimaced, and rubbed his cheek and neck.

In late July 2000, the Russian court found Obukhov guilty of spying for the United Kingdom and sentenced him to 11 years in a high-security prison. All his property was ordered to be confiscated. However, in January 2001, the Russian Supreme Court voided Obukhov’s conviction and sentence.<sup>218</sup> Obukhov’s family and lawyers said that he is mentally ill and that the case against him was fabricated by the FSB.<sup>219</sup>

### *Oppfelt*

The activities of US citizen Oppfelt [as transliterated], who, having made contact with a Pacific Fleet officer, was collecting information of a covert nature on naval facilities, were cut short and he was expelled from Russia.

### *Valeriy Oyamyae*

In March 2000, the FSB arrested Valeriy Oyamyae and charged him with passing secrets to the British and Estonians, using a contact at the British Embassy in Tallinn. Oyamyae, a former intelligence officer, passed information on FAPSI. FSB Chief Patruska said “he (Oyamyae) had been a senior officer in one of Russia’s special services and he was using his connections with officials in enforcement structures and people in political and business circles to gather information.”<sup>220</sup>

On 21 April 2001, a Moscow court convicted Oyamyae of high treason and sentenced him to seven years in jail and confiscated his property.<sup>221</sup>

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## *Grigory Pasko*

Grigory Pasko, a naval captain and military journalist for the newspaper of the Russian Pacific Fleet *Boyevaya Vakhta*, was charged in November 1997 with espionage and revealing state secrets. The FSB classified the case a state secret, making it difficult for his lawyers to mount a proper defense. Pasko's "crime" was reporting on the Russian Navy's illegal dumping of nuclear waste in the Sea of Japan.

Pasko came to the attention of the FSB because of his contacts with Japanese journalists in Vladivostok. The Japanese were in the area because there was some controversy about Russia's disposal of liquid radioactive waste in the territory.

The Japanese had commissioned a radioactive wastewater treatment facility at Bolshoi Kamen. The Japanese Government decided to fund construction of the plant after it was revealed that Russia dumped some 800 tons of radioactive waste from dismantled nuclear-powered submarines into the Sea of Japan.

Funding for the liquid waste storage and processing plant was part of an October 1993 agreement by the Japanese with the Russian Federation to assist in the environmentally safe reduction of its nuclear defense systems, including the dismantling of part of the Russian nuclear submarine fleet. This sophisticated plant, mounted on a 213-by-77-foot barge, is capable of treating 1.8 million gallons per year. The processing system extracts waste contaminants from water used in the submarine decommissioning and dismantling process. The low-level nuclear waste is mixed with concrete, placed in specially designed containers and placed in secure storage pending ultimate geologic disposal. The treated water, which meets most drinking water purification standards, is returned to the sea.

Pasko, in an article he wrote, showed the threat to the environment caused by accidents in the decaying Russian nuclear submarine fleet. Because of a shortage of money and high-level corruption in the Pacific Fleet, the Russian Navy had dumped liquid and solid nuclear waste off the coast of Vladivostok.

In May 1999, the Russian media reported that Russia's SVR concluded that Pasko was a foreign spy. The service reportedly said that the Japanese journalists, Takao Dzyun, Tadashi Okano, Nasu Hiroquki, Akihito Sato, and Yamauchi Toshikiku, were all intelligence officers. If Pasko carried out tasking by these officers and received money from them, he was their agent.<sup>222</sup>

The SVR quickly denied preparing the report. However, SVR spokesperson, Boris Labusov, said "It is not within the competence of the SVR to determine whether anyone is guilty or not guilty of any crime." He did say the SVR received an inquiry and "under articles 70 and 88 of criminal procedural code, (the SVR) has given an objective and complete reply to it, of which it cannot comment due to the secrecy of the information it contains."<sup>223</sup>

Human rights groups began to raise concern about the Pasko case. Human rights activists said Pasko's case was similar to that of Nikitin, who was under investigation in connection with his report on nuclear dumping by Russia's northern fleet. Alexei Simonov of the Defense of Glasnost Fund stated that it seems to be more and more difficult to write about environmental issues in Russia. The human rights group Amnesty International declared him a "prisoner of conscience."

Pasko's lawyer, Yaroslav Gerin, said documents that were confiscated from Pasko's house did not support the FSB case. Gerin told a Moscow news conference "Pasko did not have one bit of secret material either in his home or with him." The defense attorney said Pasko was working on some reports on agriculture and shipbuilding for a Japanese magazine when he was arrested.

A third Pasko defense lawyer, Oleg Kotlerov, said the FSB was guilty of a series of legal violations in their handling of the case. According to Kotlerov, the case is not democratic because the hearing is closed—no press is allowed—and prosecutors are using all their power to silence Pasko's lawyers.

Gerin stated that Pasko's health has seriously deteriorated. He has back pain, skin disease, and he

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is under great psychological pressure. He says even murderers are not put into solitary confinement.

Pasko's lawyers continued to tell the media that there was no evidence that Pasko did anything illegal. They argued before the court that if anyone is breaking the law, it is the FSB.

The FSB raided his apartment, confiscating his computer, fax machine, and car. He was denied bail and began an extended prison term without a trial. Pasko was actually held in custody for 14 months, including six months in solitary confinement before he had a court hearing in February 1999.

According to Voice of America, the trial of Pasko began after he was led—shackled with handcuffs—by five policemen up the crumbling and poorly lit stairs of the Vladivostok military court. As Pasko was being led in, he shouted, "It's a gulag (Soviet camps for political prisoners) trial. Record that and tell everyone."<sup>224</sup> His lawyer told Voice of America that the FSB was using illegal interrogation methods and sleep deprivation to investigate him.

Pasko was tried in a closed hearing by a military judge and two officers. The military judge later postponed the trial for one week so that Pasko could get new lawyers. One of Pasko's lawyers, Kharen Nirsisyan, was expelled from court after asking a witness if he was employed by the FSB. Pasko's defense team wanted the judge to reinstate Nirsisyan. His lawyers also formally protested because they said the presiding judge, Dmitry Savushkin, was biased, and they wanted him to disqualify himself from the case. Instead, Judge Savushkin postponed the trial until 16 February. The defense lawyers said the judge ruled that Pasko could choose new lawyers and that, until the lawyer issue is resolved, the judge would not address the question of his personal bias. They added that Pasko did request four new lawyers, two of them are high-profile human rights lawyers defending Nikitin, who was also charged with espionage and treason.

Kotlerov told the media that Pasko should at least be released from prison. He should not sit in solitary confinement if there is no proof he

committed a crime. His client has already spent 14 months in what Kotlerov called a tuberculosis-infested prison. The lawyer took another swipe at the FSB, calling their methods the same as those of the old KGB, but now illegal. He said agents are not supposed to interrogate a sleep-deprived person for 10 hours at a time.

A local newspaper, called "Vladivostok," printed an interview with FSB chief of the Pacific fleet Nikolai Satskov. The newspaper reported Satskov said Pasko was not charged as a journalist but as a Navy officer. The newspaper also quoted him as saying Pasko's ecological reports had nothing to do with the charges against him. The matter was more serious because Pasko handed over top-secret information vital to the security of the Pacific fleet.

The Japanese television network finally responded to the case in February 1999. In a letter, an NHK TV chief wrote that the television network did not buy any "secrets" from Pasko. It said the network hired him simply as a freelance journalist.

After the trial resumed, testimony was heard from graphology and handwriting experts who were appointed by lawyers of the court. These experts found serious violations in a protocol compiled as a result of the search of Pasko's apartment. They concluded that different people other than the witnesses of the official search made the signatures on one of the pages of the protocol. They indicated that the page with the forged signatures also had different ink from that which was used on the other pages of the protocol.

Another one of Pasko's defense lawyers, Anatoly Pyakin, told the court that since the protocol was filled in, it violated procedural law and could not be used as evidence in the case. Under article 50 of the Russian constitution, justice cannot be administered using documents obtained by violating the federal law. Pyakin reminded the court of Article 69, which states that evidence obtained by violating the law is invalid in terms of law and cannot be used to substantiate a charge.<sup>225</sup>

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A FSB agent denied that any corrections were made in the protocol. The authorities also admitted that none of the facts he had published revealed state secrets or endangered national security.

In July 1999 the Russian Pacific Fleet military court in Vladivostok released Pasko after it found that the prosecution lacked evidence to support the espionage charges against him. The military court further ruled that some of the evidence brought against him by the FSB was, in fact, falsified. The court did find Pasko guilty of “abuse of office” under the Russian Criminal Code and sentenced him to the maximum term of three years’ imprisonment. Under the provisions of a general amnesty, the court relieved Pasko of the obligation to serve the sentence.

In November 2000, the military collegium of the Russian Supreme Court opened the way for a new treason trial for Pasko when it cancelled the lower court’s verdict. This decision, Pasko said, would be like “a death sentence” for him, noting that his trial would be in the same court with the same FSB monitors who initially prosecuted him for publicizing information about the Russian Pacific Fleet’s actions that lead to the contamination of the ocean.<sup>226</sup>

On 4 June 2001, the trial was to begin but instead was postponed when prosecutors failed to appear in court to request the postponement. Rather, a printed notice on an inner door of the courthouse announced that the case was postponed until June 20. However, this trial date was later pushed back to 11 July 2001.

At his new closed military trial, witnesses failed to prove Pasko was guilty of the treason charges against him. Pasko’s lawyer, Anatolii Pushkov, said that one of the witnesses, the deputy commander of the Pacific Fleet, Vice Admiral Aleksandr Konev, told the court that he personally gave Pasko permission to visit secret sites and make video films there. Another defense witness, Anatolii Fomin, who worked for the same military newspaper as Pasko, testified that he and Pasko secured FSB permission for all their activities.<sup>227</sup>

### *Edmond Pope*

In an interview, FSB Director Patrushev said his agency is focused on protecting Russian scientific and technical research and leading-edge technologies and developments “without which the country’s revival would be impossible. And here the case of Edmund Pope, a former career US Navy officer, is significant.



Edmond Pope arranged to have dinner with Professor Babkin on 3 April 2000 at a Moscow restaurant. Pope had previously contracted with Babkin for information on the Shkval torpedo, which is used in Russian submarines. Pope had received four reports from Babkin, a professor at Moscow’s Bauman University, who, with several university colleagues, had designed the torpedo. Pope paid \$28,000 for the reports. A Pope-established company Tech-Source Marine Group was to receive a fifth report from Medas, a Russian firm. These firms were established to circumvent the US embargo on certain technology transfers.

At the dinner meeting, Pope intended to tell Babkin that he would not be using Babkin. He made this decision when Daniel Kiely, a Penn State research official who acted as Pope’s technical expert, advised Pope that the Shkval information was too general and mostly public knowledge. That evening, the FSB burst into Pope’s hotel room. They detained him, Kiely, and Babkin. The FSB forced Kiely and Babkin to sign confessions that they had trafficked in state secrets. Kiely was then released. Pope was charged with stealing Russian state secrets.

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Russian media quoted the FSB as saying that Pope tried to obtain plans to the high-speed Shkval. Pope said he was innocent. He stated that he bought the Shkval design from Babkin and added that the rector of Bauman University also knew about the purchase. After his arrest, Pope was taken to Lefortovo Prison.

Pope is a former US Navy captain who worked in naval intelligence. In 1994, he retired from the Navy after a 25-year career—his last two posts were director of security in the Office of Naval Research and as an intelligence adviser in that office. He then worked for Penn State’s Applied Research Lab for three years. In 1997 he formed CERF Technologies International.

Pope also suffered from a rare form of bone cancer, which was in remission. His wife, however, feared that his imprisonment would reactivate his illness and might cause his death. Pope’s wife and defense attorney made efforts in getting Pope released from prison until his trial, but their efforts failed. Pope’s wife turned to Congressman John Peterson R-PA, who called on the Russian Government to allow Pope to be examined by independent doctors at a Moscow clinic. The Russian court refused, saying that Russian doctors said Pope was fit to stand trial.

President Clinton, Secretary of State Madeleine Albright, and other senior Administration officials pressed the Russian Government to release Pope from prison. The US Department of State sent numerous protests to Russian officials, warning that Pope’s continued confinement endangered his health. In response, Russian President Putin said that Russia’s court had to decide Pope’s fate.

The Lefortovo district court again ruled in August 2000 against any pretrial release of Pope.<sup>228</sup> The Russian authorities also refused to allow an American doctor to examine Pope, who reportedly suffers from cancer. An FSB spokesman said his organization knew about a US State Department protest concerning Russian treatment of Pope. But, he added, “our medical experts find no pathology in Pope’s condition.”<sup>229</sup>

To try to counteract the pressure being applied to release Pope and bolster its own case, the FSB released a statement in August. The FSB said, “The patterns and methods of Pope’s work as the director of a private commercial organization matched the pattern of gathering military information for the United States.”

In September a Moscow court again refused to release Pope so that he could receive medical treatment. The court said that he was not ill enough to justify his lawyer’s request.<sup>230</sup>

The Russian procuracy’s public information service issued a press release on 27 September, saying that prosecutors had turned over Pope’s case to the courts. So far, Moscow has ignored US demands for his release on bail. An unnamed FSB officer stated that the Russian Government was not planning to swap him for convicted Russian spy Aldrich Ames, as some rumors had said. “The damage Ames caused to the US is incomparable with what Pope did to Russia,” the officer said. But he did not exclude that, after Pope is convicted, he might be exchanged for George Trofimoff, a retired US officer who spied for the USSR and the Russian Federation.<sup>231</sup> Putin also told Larry King on CNN that he would not consider any suggestion to swap Pope for Ames.

The trial began on 18 October 2000. During the trial, Pope’s defense lawyer requested that a new interpreter be appointed. The defense lawyer told the court that the current interpreter assigned to Pope was working for the FSB and also adding comments when translating. The court refused the request.

Babkin initially testified against Pope and then recanted his testimony and said the American had done nothing wrong. Babkin also gave Russia’s independent NTV television network a tape recording of FSB agents threatening to send him to “Siberian prison camps” unless he stuck to his original confession.

Yeygeny Shakhidzhanov, general director of the Region State Science Company, which manufactures the Shkval, said, “We did not give

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him anything secret. The technology is unique, there is nothing like it to date, and it costs a tolerable amount of money.” The State prosecutor, Oleg Plotnikov, acknowledged the Shkval was declassified but said its fuel and other components were still secret.<sup>232</sup>

Professor Arsenii Myandin said that the information Pope was accused of obtaining via espionage was unclassified and placed in the public domain a long time ago. Myandin, who designed the Russian naval missile “Shkval,” said that he had lectured about it and even published all the details concerning this weapon in a book that was declassified in 1991. But Russian prosecutor Oleg Plotnikov said that Myandin’s testimony had failed to convince him.<sup>233</sup>

Georgiy Longvinovich, the chairman of a special “experts commission,” convened to deal with charges against Pope. Longvinovich said that its members “unanimously” believe that the materials Professor Babkin gave to Pope were secret.<sup>234</sup> The FSB stated “Certain technical decisions related to this unique product remain secret and preventing their dissemination permits Russia to keep its superiority in this field even if finished models are sold.”<sup>235</sup>

To rebut Longvinovich, Pope’s defense lawyer presented the court with nonclassified technical reports identical to those Pope received from Babkin. Pavel Astakhov said the reports had been compiled exclusively from public periodicals and books published by teachers of the Moscow Aviation Institute.

At the same time, in an illogical remark, a prosecution witness said that statements on Pope’s behalf by President Bill Clinton and Secretary of State Madeleine Albright proved that “Pope is not a simple businessman but rather a career intelligence officer.”

The Pope case generated concern by a group of Russian nuclear and military scientists, which appealed to the Russian Security Council, the FSB, the Justice Ministry, and the Duma to improve the protection of state secrets and impose greater punishments on those who compromise such

secrets. They said that such actions were necessary because of American activities, including pressure on Moscow regarding Pope, an accused spy.<sup>236</sup>

On 21 November 2000, Pope’s lawyer, Astakhov, asked the court to throw out all evidence presented by the state prosecutor Plotnikov and to suspend Plotnikov from the case. The Moscow city court refused the defense motion, even though the defense showed that Plotnikov’s son, an FSB officer, was one of the investigators of the case. The latter, however, did remove himself from the case by declaring that he was ill. Another prosecutor, Yuri Volgin, replaced him.<sup>237</sup>

During the trial, Pope denied seeking any information that was not on the public record, an assertion supported by numerous witnesses at the trial.

For the first time since a Soviet court found U-2 flier Francis Gary Powers guilty of espionage in 1960, a Moscow judge convicted an American of spying. On 6 December 2000, the Moscow court found Pope guilty of espionage and sentenced him to 20 years in prison. Zdanovich, head of the FSB Programs Promotion Directorate, said he was “satisfied” by the verdict. It proves, he said, that Moscow is “decisive” in protecting “state secrets from any encroachments.”<sup>238</sup>

After the verdict, Russian Government-controlled media defended the trial and conviction of Pope, while Russian independent media criticized the verdict and warned that US-Russian relations would suffer. Government media insisted that Pope was guilty and played down any danger to US-Russian relations. On 6 December, Zdanovich stated on RTR TV that more “facts” would be disclosed in a film from the FSB.

Nongovernment media—most notably outlets linked to Kremlin foe Gusinsky—cautioned the verdict would “seriously complicate” relations with the United States and damage business ties.<sup>239</sup> Segodnya declared the case “dealt a mighty blow to Russia’s reputation” for justice and the independence of its courts.<sup>240</sup> The frequently anti-Kremlin *Moscow Times* condemned the

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“arbitrary conviction and punishment,” claiming it demonstrated the courts’ “weakness and unprofessionalism.”<sup>241</sup>

Following the verdict, Pope’s wife and the US Government appealed to Putin for clemency. Although Russian security agencies demanded Pope be given a severe sentence so they could use him in an exchange for a Russian spy, they expected Putin to follow the official commission’s recommendation to pardon Pope. The security agencies held out hope that even after the pardon a spy swap could still be negotiated—Pope for a Russian agent in the United States or somewhere else.<sup>242</sup>

On 9 December, Putin pardoned Pope. He said that the pardon would take effect once Pope’s sentence took effect, which was the following week. On 14 December, Pope was released from prison and flown to Germany where he underwent several days of medical testing at a US military hospital. He arrived back in the United States on 17 December.

FSB director Patrushev said the Pope case shows that “in Russia’s murky waters, foreign businessmen-spies have worked freely, buying technologies created by thousands of people for mere kopeks. With Pope, Russia showed this has ended.”<sup>243</sup>

Although some viewed the Pope case as a sign of renewed forcefulness by the FSB under Putin, the security service came under criticism for its handling of the case. According to media reporting, Western intelligence officials learned that several months prior to his arrest, Pope was on a FSB list of about 12 US and European defense experts whom the FSB considered targets for criminal charges because of their activities. The FSB probably considered Pope a logical target because of his background in naval intelligence. In the FSB paranoia about spies, “once an intelligence officer always an intelligence officer.” Others saw the case as an effort by the FSB to cover up pass ineffectiveness.

Foreign businessmen have always felt comfortable in muddy water. For kopeks it was possible to acquire know-how that had been created through the labor of

thousands of people. In this case, Russia showed Pope that these times had come to an end. The country’s leadership let it be known to the international community that it protects its national interests with strictness and according to principle.”<sup>244</sup>

### *Craig Rucin*<sup>245</sup>

Craig Rucin, an American Protestant carrying out religious work on a voluntary basis in the capital of the Republic of Udmurtia, Izhevsk (700 miles east of Moscow), was deported from Russia on 21 July 2001. Rucin explained that on 17 July he was summoned to the local OVIR office (the Russian bureaucratic department that deals with the registration of foreign citizens) where he was informed that he constituted “a danger to the Russian Federation.” According to Rucin, an OVIR official had told him that he was under no obligation to give the reason for his deportation since it was “a matter of national security.”

With a one-year business visa valid until January 2002, Rucin had worked for a local cultural exchange company called Slovo (Word), which teaches courses on computer studies—in both Russian and English—to foreign and local citizens. Slovo—partly founded by a Florida-based Protestant missionary organization called Pioneers—changed its name from “Russian-American Christian Professionals Institute” and dropped the religious aspect of its work when it reregistered in 1998.

Attached to Pioneers on an individual basis, Rucin said that while in Izhevsk he had additionally given free training to local Protestant pastors, which he stressed had taken place “in the evenings and at weekends—in my spare time—which should be within my rights.” The 1997 Russian law on religion is hazy in this area. While Article 20, Part 2, states “religious organizations have the exclusive right to invite foreign citizens for professional purposes,” no conditions for nonprofessional or voluntary religious activity by foreign citizens are specified. According to Article 3, Part 1, such activity would appear to come under the

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individual right to disseminate religious convictions guaranteed to foreign citizens legally present in the Russian Federation.

On 21 August 2001, plenipotentiary for religious affairs in Udmurtia, Sergei Ilinsky, was unable to state definitively why Rucin had been expelled, but thought that it might be due to his religious activity. “He came here as a teacher of English with Slovo—and religious work is not in accordance with that. It is a violation of his visa and the charter of that organization.”

Ilinsky evidently deemed Rucin’s religious activity to be professional in status despite its voluntary nature, describing it as “training up personnel for local Protestant churches.” “It was perfectly in order for a missionary to do such work if invited by a local Protestant church,” he said, and stressed that many such churches invited foreigners to preach and distribute literature in Udmurtia “without problems.”

In Ilinsky’s view, a further possible factor in Rucin’s expulsion was that “we don’t have a simple republic here—it contains many military installations and there has always been a high degree of vigilance here.” Rucin also pointed out that Udmurtia was a closed zone until *perestroika*, due to its military installations, commenting, “they are paranoid about outsiders here.”

Rucin’s predecessor at Slovo and a lieutenant colonel in the US Army, Warren Wagner, worked as a supervisor of weaponry disarmament in the Udmurt town of Votkinsk. On 10 August, Wagner—who is now an assistant to the president of Pioneers—wrote that he had been denied a visa to Russia in January 1999. “The foreign ministry regional office in Izhevsk told Slovo representatives that they would not approve an invitation to me. Since then they have been told that I am under a five-year ban.”

Precisely how Rucin’s activity could constitute a danger to the Russian Federation remains unclear. On 27 August the director of Slovo, Galina Aminova, said that she believes his expulsion to be part of a broader anti-Protestant drive on the part of the Udmurt authorities. “It is because he is foreign and a Christian,” she explained. “I don’t think there would

have been a problem if he’d just been foreign—and we are the kind of Christians who do not sleep.”

Rucin also pointed to allegedly FSB-inspired articles in the Udmurt press, claiming his religious work to be a front for the US Government. “They think my real aim is to change the hearts and minds of Russians so that they become more obedient to the US.”

### *Vladimir Sintsov*

On 29 May 1997 the trial of V. Sintsov, a worker at a defense institute, opened in Moscow. He was charged with treason in the form of espionage and the transfer of Russian defense and technological secrets to British intelligence. The British recruited Sintsov in the early 1990s in London when he was serving there as head of the foreign economic relations directorate of Spetsmashinostroyeniye I Metallurgiya AO—a joint stock company. Russian media reported that the British recruited him based on information that Sintsov had accepted 30 million rubles in bribes between 1991 and 1994—primarily for his aid in selecting go-between firms shipping arms abroad.

Not wanting to be exposed, he agreed to cooperate. There were 20 meetings between the British and Sintsov, which took place either at the Olympic-Pena hotel in Moscow or in Western Europe. He received \$15,000 for information on the amounts of shipments of Russian arms, description of a missile system, and performance of up-to-date Russian weaponry. He used computer diskettes to pass the information to the British, as well as sending photocopies of classified documents to them.

His last meeting with the British occurred in January 1994, when he flew to Singapore to meet with them. On his return to Moscow on 15 January 1994 he was arrested by the FSK.

A FSK search of Sintsov’s apartment and office yielded a miniature camera and diskettes containing top-secret information.<sup>246</sup>

On 2 July 1997, Sintsov was sentenced to 10 years in prison.



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## *Igor Sutyagin*

The FSB arrested Sutyagin in 1999 and accused him of spying for the United States. Sutyagin, who works at the Institute for USA and Canada Studies, remained in jail on charges of treason and espionage. At that time, the FSB also searched the Moscow residence of Princeton Professor Joshua Handler, a colleague of Sutyagin, but the security service did not detain him.

Handler reported to the US Embassy in Moscow that FSB officers interrogated him in his Moscow apartment. According to Handler, his interrogation lasted approximately seven hours. He told Embassy officials that the FSB officials who questioned him presented him with a warrant permitting them to search his apartment. They removed a number of items, including his computer. He received a receipt for his property and was told that it would be returned to him in approximately two weeks.

While the FSB said Sutyagin is an American spy, the service appeared to be trying to figure out which foreign intelligence service actually ran Sutyagin. On the one hand, he met openly with US diplomats in Moscow, and the FSB insists that he passed classified information to them. According to the FSB, his open behavior suggested that the US spy agencies might have adopted “a new tactic.”

On the other hand, according to Sutyagin’s colleague, Pavel Podvig, FSB officials believe that Sutyagin was spying for Canada. Sutyagin, in fact, was hired to conduct research on military-civilian relations by two Canadian universities that had funding from Canada’s Department of National Defense. According to a York University official, Russia is the only country of the dozen “where some officials seem to have found a Canadian study of civil-military relations to be a threat to national security.”<sup>247</sup>

In September 2000, the FSB completed its investigation of Sutyagin and handed his case to the court.<sup>248</sup> In order to bolster their case, the FSB leaked stories to the Russian and Western media in order to put pressure on Sutyagin.<sup>249</sup> On 28 February 2001, *The Guardian* in England published

an article saying that two of Sutyagin’s British contacts were in fact American spies. The next day, *Nezavisimaya Gazeta* published a story suggesting that Sutyagin had taken money from Western intelligence for information about the Russian nuclear fleet.

At Sutyagin’s closed trial in Kaluga Oblast, Col. Sergei Koshelev, a witness for the prosecution, said that the Russian Defense Ministry believed Sutyagin damaged Russia’s security “by trading information about its weapons to foreign countries.” In an ambiguous statement, Koshelev stated that, although “the information supplied by the defendant to foreign countries did not contain secrets,” it provided insight into the army’s combat readiness.<sup>250</sup>

Vadim Semyonov, a senior FSB researcher from its scientific research center, confirmed that two officials from the London consulting firm Alternative Futures, with whom Sutyagin collaborated, were foreign intelligence officers. According to Sutyagin’s lawyer, Semyonov and other FSB “specialists” were trying to find out whether the firm’s officials were foreign intelligence officers. The lawyer argued that when Sutyagin was passing information he might have been unaware that the firm’s officials were intelligence representatives.

FSB investigators have asserted that Sutyagin carried on continuous contact with Alternative Futures, one of whose cofounders, Sean Kidd, and employee Nadya Lock are US career intelligence agents. Investigators also maintain that the firm itself is just “a cover” for one of the intelligence services.<sup>251</sup>

## *Elizabeth Sweet*

Elizabeth Sweet, an American teaching English on contract to Omsk State University, discovered that just doing your job can be just as dangerous as being engaged in illegal activities. The FSB in that region accused Sweet of espionage and ordered her to leave the country.<sup>252</sup> FSB officials said that Sweet organized her students into a group to collect information about the Russian defense industry.

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Sweet's apparent crime was asking her students to prepare a report on the economic state of local enterprises. The FSB looked at the assignment—given by an American professor, as well as her students' zeal—as possible tasking to collect classified information. According to Ekho Moskvyy radio, "counterintelligence had no grounds to charge the American professor with espionage, so they just expelled her from Russia to be on the safe side." The FSB said that three-quarters of the enterprises on Sweet's list belonged to the defense sector.<sup>253</sup>

An FSB spokesman quickly refuted the expulsion order, saying that the mass media "distorted" information about expelling Sweet. He said that the data Sweet collected was not for espionage but to "create a negative image of local industry." He added that rather than expel her from Russia, the FSB "strongly recommended to the local university not to extend her contract."<sup>254</sup>

### *John Tobin*

John Tobin, a 24-year-old American studying political science at Voronezh State University on a Fulbright scholarship was arrested on 27 February 2001 and charged with possession and distribution of marijuana. The Tobin case gained international attention when FSB officials accused him of being a spy in training. In a case of mirror imaging, the FSB said he had come to Russia to study the language and culture before beginning work for an American intelligence agency—like KGB officers who studied in the United States before embarking on their intelligence careers. However, he was never charged with espionage.

Tobin said he was not guilty of the drug charges and maintained that the marijuana was planted on him because he had refused an FSB recruitment pitch to spy against America. His arrest raised suspicions because it came at a time when the United States and Russia were each accusing the other of spying. Washington expelled 50 Russian diplomats and the Kremlin followed suit, sending 50 American diplomats home.

A Voronezh court on 27 April found John Tobin guilty of marijuana possession and sentenced him to three years in a penal colony. Less than 2 months later—7 June—the same court reduced the sentence. Tobin would now serve 12 months in prison rather than 37 months. Tobin's lawyers said that they would appeal and seek the complete vindication of their client who continued to insist he is innocent of all charges.<sup>255</sup>

Embarrassed by their having to drop the espionage charges from the prosecution of Tobin, the FSB continued to pursue possible spy charges against Tobin. One of the FSB investigators said his agency believes that the Fulbright exchange program may be serving as a cover for American espionage activities in Russia more generally and must be investigated.<sup>256</sup>

Meanwhile, Pavel Bolshunov, an FSB spokesman, went further and said that a Russian biologist who was briefly imprisoned in the United States has told the FSB that Tobin presented himself at that time as an FBI agent and tried to recruit the biologist to spy for the United States. But Tobin's lawyer replied that such claims are untrue and are part of an FSB effort to prevent Moscow from releasing Tobin before the end of his sentence.

The FBI said on 27 June 2001 that Tobin was never an agent of the bureau. The Connecticut Department of Corrections, where Tobin was said to have met with the imprisoned Russian scientist in 1997-98, said that Tobin had never been there, adding that a certain Dmitrii Kuznetsov had been incarcerated there at that time for a larceny conviction.

A Russian Justice Ministry spokesman said on 26 July that, if the courts agree, Tobin might be released in early August after serving half of his sentence. The spokesman said that the grounds for such a release might be Tobin's "good behavior" behind bars.

On 2 August, Tobin was recommended for parole. He was freed the next day. He remained in Moscow to await an exit visa, which was subsequently granted. He departed Russia on 8 August 2001.

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## Others

In July 2000, the FSB detained a 26-year-old Lithuanian citizen on charges of spying for the CIA against the FSB. FSB spokesman Zdanovich said that the ethnic Russian was approached in 1999 and asked to use his computer skills to penetrate the Russian spy agency. Lithuanian officials denied the story, pointing out that the man the Russians say they arrested was in Vilnius. One Russian media outlet suggested that the Lithuanian's detention represented an FSB attempt to retaliate for the arrest in June of retired US Col. George Trofimoff, who was charged with spying for the KGB during the Cold War. Retired KGB officer Sergei Sokolov said Oleg Kalugin, who earlier broke with the KGB and currently lives in the United States, betrayed Trofimoff.<sup>257</sup>

## Targeting Humanitarian Groups

Lt. Gen. Vladimir Bezuglii, the head of the Federal Security Service (FSB) department for North Ossetia, stated that some employees of international humanitarian organizations working in the northern Caucasus are spies. He said that five such people were deported in 2000, and he said "in Georgia, there are several international organizations that are 'covered' by the CIA. Through them, Chechen rebels get food and medicines," he added.<sup>258</sup>

The FSB in Voronezh said that it began an investigation of a Chechen who previously resided in France. According to the FSB, the unidentified Chechen has confessed to working for French intelligence against Russia. The FSB said that he had collected information while working for the charitable organization Doctors Without Frontiers.<sup>259</sup>

The Supreme Court of Russia has rejected efforts by human rights groups to disallow the use of anonymous declarations in the work of the FSB.<sup>260</sup> The court specifically said that the December 2000 FSB directive encouraging the use of such denunciations in investigations was entirely legal.

## Foreign Intelligence

Speaking at a 21 December 1995 Moscow celebration of the 75th anniversary of the formation of the VChK-KGB-SVR, Primakov declared that NATO expansion would create a "security threat" for Russia. Primakov said that trying to understand the "true motives" of those who advocate NATO enlargement is a key task of the SVR and added his agency would seek to block the alliance's expansion while trying to establish good relations with former Cold War adversaries. Primakov said Russian policy should seek to prevent the emergence of a "global hegemony" by the United States.

Primakov also stressed the importance of combating the threats of ethnic-national conflicts and terrorism to Russian territorial integrity and national security.

Important areas of SVR intelligence activity include possible scientific breakthroughs, which might radically change the Russian security situation, as well as determining those areas in which the actions of foreign states' special services and organizations might damage Russian interests.

The SVR contact with various intelligence and counterintelligence services of foreign states is one of the agency's fastest growing areas of activity. The SVR maintains working contacts and collaborates with several dozen special services in other countries. This includes work on nonproliferation of weapons of mass destruction; combating terrorism, the drug trade, organized crime, money laundering, and illicit arms trade; and the search for and release of hostages, as well as citizens of Russia and CIS countries, who are reported missing.

Collaboration includes the exchange of intelligence information, assistance in training of personnel, and material and technical assistance. The SVR also has reportedly concluded formal cooperation agreements with the intelligence services of several former Soviet republics, including Azerbaijan and Belarus, which cover gathering and sharing intelligence.

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An agreement on intelligence cooperation between Russia and China was signed in Beijing at the end of the summer of 1992. It envisaged the restoration of the cooperation in the area of intelligence, which had been cut off in 1959. This secret treaty covered the activities of the GRU and the SVR, which are cooperating with the Chinese People's Liberation Army's Military Intelligence Directorate.

Although the SVR [along with other agencies] is involved in industrial espionage, there are signs that the data being collected by Russian intelligence agencies are not being used effectively. In a 7 February 1996 Security Council meeting—which included FSB Director Barsukov and SVR Director Trubnikov—President Yeltsin ordered top state officials to close the technology gap with the West by more efficiently using industrial intelligence. Yeltsin complained that less than 25 percent of the information collected by Russian spies abroad was used in Russia, even though he claimed information was derived directly from foreign blueprints and manuals.

SVR economic intelligence activities includes the identification of both threats to Russian interests as well as emerging opportunities, such as advantageous market trends for particular types of commodities and raw materials. Priority is attached to ensuring balanced development of relations with foreign countries in such spheres as currency and finance, export and import transactions for strategic raw materials, and in the high-technology sphere. The SVR is frequently commissioned to ascertain the business reputation and real potential of foreign firms and individual dealers who intend to establish business relations with Russian state organizations. It also seeks to identify foreign firms attempting to persuade certain Russian partners to conclude illegal export deals and to track Russian capital going abroad.

In addition to the economic, scientific, and technical focus of collections efforts noted above, human intelligence (HUMINT) collection against American intelligence agencies also has been ongoing, as exemplified by the 1996 arrests of FBI agent Earl Edwin Pitts and CIA officer Harold James Nicholson. The end of 1996 was also marked

by the case of former SVR Col. Vladimir Galkin, provoking a noisy scandal that added tension to Russian-American relations and relations between the SVR and the CIA.<sup>261</sup>

President Putin secretly directed the SVR and the GRU to increase their activities in the United States. Putin's 2001 directive included orders to clarify the political context of statements by several members of the new US administration and to track developments related to NMD. Russian Security Council Secretary Ivanov is to coordinate this effort.<sup>262</sup>

The SVR also complained that Foreign Minister Igor Ivanov was not doing enough to support SVR stations at Russian embassies abroad. The SVR believed this lack of support by Russian diplomats led to the intelligence failures in the United States.<sup>263</sup>

## **Russian Spies Caught**

### *Shigehiro Hagsaki*

The most spectacular spy scandal to hit Japan in 20 years occurred on 8 September 2000 when the Tokyo Metropolitan Police arrested Shigehiro Hagsaki, formerly a lieutenant commander with the Maritime Self-Defense Force, as he was sitting in a restaurant with his Soviet embassy contact, Captain Viktor Bogatenkov. Hagsaki had just handed Bogatenkov copies of a classified training manual used by senior Maritime Self-Defense Force offices and papers regarding plans for military communications systems when the police made their move.

The arrest came just days after Russian President Putin visited Japan. A Russian Embassy official denounced the arrest, saying it “was a provocation aimed at reducing bilateral relations . . .”

The police had been watching Hagsaki since September 1999 when he first began meeting with Bogatenkov at military events. At the time, Hagsaki was chief navigator for a Japanese naval escort ship. Since their initial meeting in September 1999, the two men met about 10 times.

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A graduate of Japan's military academy, Hagisaki served on destroyers and submarines before being posted to the Defense Institute in March 2000. He worked there as a specialist on the Russian Navy.

In his apartment and at his office, police discovered classified documents on the movements of US naval forces in Japan, including US submarines.

Bogatnikov, a GRU officer, departed Japan the next day. The police said that Bogatnikov, who spoke fluent Japanese, paid for thousands of dollars worth of food and drink in return for copies of documents marked "Secret" and "Caution," which Hagisaki secretly removed from the Defense Institute.

On 27 November 2000, Hagisaki pled guilty to charges that he leaked defense secrets, including information about US Navy units in Japan, to Bogatnikov. He was cashiered from the military.

On 7 March 2001, Hagisaki was sentenced to 10 months in prison.

The Hagisaki case is the most high-profiled case since 1980 when a military attache at the Soviet Embassy in Japan obtained copies of a military monthly bulletin and official telegrams related to the Foreign Ministry. A retired Japanese major general, who obtained the information from several former army officers who had served under him, passed them to the Soviet attache.

### **Poland Arrests Russian Spies**

In mid-1999, the Polish security services arrested three Polish military intelligence officers for espionage on behalf of Russia. All three held high posts in Polish counterintelligence up to 1993. One officer, identified only as Lt. Col. Czeslau W., was the former head of military counterintelligence in Lodz. He was arrested in June 1999.

In May 2000, Czeslau W. was found guilty of supplying the KGB with secret information on Polish counterintelligence and sentenced to four years in prison. However, on 29 August, the Polish

Supreme Court revoked the prison sentence, ordered the release of Czeslau and returned the case back to the court. As a condition of his release, Czeslau is to be under police supervision and is not allowed to leave Poland.

Another officer arrested was identified as Col. Zbigniew H. He has not been tried as yet. The third individual has not been identified.

### **Poland Expels Russians**

On 20 January 2000, Poland declared nine Russian Embassy employees persona non grata. Polish Prime Minister Jerzy Buzek called the expulsions a great success for the Polish security service and the State Protection Office. Buzek's office claimed the Russians were targeting Polish economic, trade, and industrial information. In retaliation, Russia expelled nine Polish Embassy officials in Moscow for espionage.

### **Reaction to US Expulsion of Russian Diplomats**

Russian Security Council Secretary Ivanov said in March 2001 that the tit-for-tat spy scandal would put an end for a while to "fruitful cooperation" between the Russian and American security services. Ivanov added he was concerned by what he called a trend in US policy to view Moscow as "a nuclear bogeyman" and then suggested that the Russians would be so stupid as to use 50 diplomats in the Hanssen case.<sup>264</sup>

Yuri Drozdev, the former chief of the KGB's Directorate S (Illegals), said that Washington's expulsion of 50 Russian embassy employees is "a stupid act aimed at undermining Russia's renewed assertiveness in foreign affairs." He said that Moscow should retaliate by expelling far more Americans, including those working at the NATO information center and in joint ventures.<sup>265</sup>

The American-Russian tit-for-tat expulsions caused England's Prime Minister Tony Blair to complain to Russian President Putin directly at their Stockholm

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meeting about Russian spying, something British officials later denied. Simultaneously, the British Foreign Office said, “we are looking carefully as to whether the Russians have crossed the line. If we find that they have, we will do as the Americans did,” London newspapers reported.

Elsewhere, the German counterintelligence agency BundesVerfassungschutz concluded that in 2000, Russia increased the number of its intelligence officers working under diplomatic cover. In its annual report published at the agency website (<http://www.verfassungschutz.de>), German Interior Minister Otto Schily directly connected the increase to the rise of Putin in Moscow.

## Russian Defections

### *Igor Dereichuk*

The Russian Embassy in Panama informed local officials that cultural attache Igor Dereichuk disappeared in early March 2001. But Dereichuk’s relatives in Kiev said that he has told them that he simply does not want to work for the Russian Foreign Ministry any longer.<sup>266</sup>

### *Aleksandr Litvinenko*

Aleksandr Litvinenko requested political asylum in the United Kingdom, saying that he feared the FSB may be seeking to kill him to prevent him from revealing information, including on last year’s apartment bombings in Moscow. Litvinenko gained notoriety in 1998 when he claimed that an FSB deputy department head had tasked him with killing Berezovskiy. He was fired from the FSB the following year.<sup>267</sup> On 25 March 1999, Litvinenko was arrested and detained in Lefortovo Detention Center for eight months.

On 26 November the Moscow Military Garrison court ruled that the case against him be dropped for lack of evidence and that he be released from custody. But FSB officers arrested Litvinenko immediately after the acquittal—in the actual courtroom. On 16 December the same court freed him again—this time with a guarantee that he would not leave Russia.

After his release, Litvinenko, his wife, and small child fled to Turkey via the Ukraine. From Turkey he received assistance from Alexander Goldfarb, head of the Moscow office of the New York Institute of Public Health, who took the Litvinenko family to Britain.<sup>268</sup>

### *Unidentified SVR Officer*

A SVR officer defected from the Russian Embassy in Ottawa at the end of 2000. He was part of the SVR directorate for external counterintelligence.<sup>269</sup>

### *Sergei Tretyakov*

Sergei Tretyakov defected from the Russian mission to the UN in October 2000. He held the rank of colonel and was second in command of the SVR station in New York. The Russian media speculated that Tretyakov might have exposed Russian spy Hanssen because he probably had access to information about Hanssen.

## The GRU

In April 2001, Putin shifted Ivanov from the Security Council to the Defense Ministry. Ivanov planned a clean sweep of the Ministry, but several senior officials had offered to resign even before Ivanov asked. The then chief of the general staff, Anatolii Kvashnin, was reported moving to the Security Council, and two Yeltsin holdovers, Deputy Defense Minister Valeriy Manilov and Colonel General Leonid Ivashov, were to follow.<sup>270</sup>

In the GRU, Ivanov reshuffled its leadership by replacing director Valentin Korabelnikov with someone from the SVR. The GRU was the least changed since Soviet times, and while Ivanov is known to have great respect for it, he wanted his own man in charge.<sup>271</sup>

Lt. Gen. Valeriy Volodin, the chief of the GRU’s Electronic Warfare Directorate, said that his service is well prepared for penetrating the information systems of enemies but suffers from some problems because of technological shortcomings.<sup>272</sup>

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## Endnotes

<sup>1</sup> Kagedan, Allan, "Succeeding the KGB: Russian Internal Security in Transition," *Commentary No. 24*, Canadian Security and Intelligence Service, June 1992.

<sup>2</sup> ITAR-TASS, 30 June 1995.

<sup>3</sup> *Sobraniye Zakonodatelstva Rossiyskoy Federatsii*, 31 July 1995, page 5781.

<sup>4</sup> Interfax, 24 July 1995.

<sup>5</sup> *Moscow News*, 28 July-3 August 1995).

<sup>6</sup> *Komsomolskaya Pravda*, 22 August 1995; Moskovskiy Komsomolets, 11 October 1995.

<sup>7</sup> Moskovskiy Komsomolets, 5 October 1994.

<sup>8</sup> *Izvestiya*, 7 December 1994.

<sup>9</sup> Moskovskiy Komsomolets, 31 December 1994.

<sup>10</sup> Moskovskiy Komsomolets, 23 November 1995.

<sup>11</sup> Interfax, 24 July 1995; *Rossiyskaya Gazeta*, 27 July 1995.

<sup>12</sup> *Sobraniye*, 31 July, page 5781.

<sup>13</sup> Moskovskiy Komsomolets, 5 and 25 July 1995).

<sup>14</sup> *Moscow News*, 28 July-3 August 1995.

<sup>15</sup> *Komsomolskaya Pravda*, 22 August 1995.

<sup>16</sup> Moskovskiy Komsomolets, 3 November 1994.

<sup>17</sup> *Komfflersant-Daily*, 25 July 1995.

<sup>18</sup> *Segodnya*, 26 July 1995.

<sup>19</sup> Interfax, 24 July 1995.

<sup>20</sup> Not further identified.

<sup>21</sup> RIA, 20 September 1995.

<sup>22</sup> Moskovskiy Komsomolets, 19 September 1995.

<sup>23</sup> Moskovskiy Komsomolets, 5 July 1995.

<sup>24</sup> ITAR-TASS, 28 September 1995; Moskovskiy Komsomolets, 4, 6, 11 October 1995.

<sup>25</sup> Moskovskiy Komsomolets, 4 October 1995.

<sup>26</sup> *Ibid.*

<sup>27</sup> *Obshchaya Gazeta*, 17-23 August 1995.

<sup>28</sup> *Segodnya*, 12 August 1995.

<sup>29</sup> *Nezavisimaya Gazeta*, 3 November 1995.

<sup>30</sup> The FSB Antiterrorist Center is a special unit, formed in 1995 that encompassed FSB combat and operational counterterrorist units.

<sup>31</sup> *Sobraniye*, 18 September 1995, page 6880; *Segodnya*, 15 September 1995; *Izvestiya*, 16 September 1995.

<sup>32</sup> ORT, 19 September 1995; *Segodnya*, *Rossiyskiye Vesti*, 7 December 1995.

<sup>33</sup> Interfax, 10 November 1995; *Segodnya*, 11 November 1995; *Rossiyskaya Gazeta*, 14 November 1995.

<sup>34</sup> The list of directorates and other subdivisions of the FSB in the 23 June FSB statute included no unit for foreign intelligence (*Sobraniye*, 26 June, page 4684).

<sup>35</sup> Interfax, 8 December 1995; *Segodnya*, 9 December 1995.

<sup>36</sup> *Sobraniye*, 21 August 1995, page 6475.

<sup>37</sup> *Komsomolskaya Pravda*, 20 September 1995.

<sup>38</sup> ITAR-TASS, 19 September 1995; Moskovskiy Komsomolets, 11 October 1995.

<sup>39</sup> *Komsomolskaya Pravda*, 22 August 1995; Moskovskiy Komsomolets, 11 October 1995.

<sup>40</sup> ITAR-TASS, 9 November 1995; *Rossiyskaya Vesti*, 10 November 1995.

<sup>41</sup> The State Technical Commission was created by a 5 January 1992 Yeltsin edict to "protect information constituting state and workplace secrets in political, economic, scientific, technical, military, and other fields." It was formed out of the former USSR State Commission for Countering Foreign Technical Intelligence and placed "under" Yeltsin, with Yashin as chairman. See *Rossiyskaya Gazeta*, 10 January 1992. The 63-year-old Yashin was a deputy defense minister, army general, and doctor of technical sciences. The members of the Commission included 19 ministers and deputy ministers from the Ministries of Security, Economy, Foreign Affairs, Defense, and Science and the Academy of Sciences. See *Rossiyskaya Gazeta*, 21 April 1993.

<sup>42</sup> ITAR-TASS, 9 November 1995.

<sup>43</sup> Moskovskiy Komsomolets, 10 November 1995; *Komsomolskaya Pravda*, 11 November 1995.

<sup>44</sup> *Nezavisimaya Gazeta* on 10 January 1995 published an FSK document warning of the danger of foreigners gathering information, and several papers published excerpts from a memo by Deputy Premier Vladimir Polevanov, citing data from the FSK that foreign businesses were secretly acquiring control over Russian enterprises and "subverting" Russia's defense.

<sup>45</sup> ITAR-TASS, 24 October 1995.

<sup>46</sup> *Rossiyskaya Gazeta*, 21 September 1993.

<sup>47</sup> *Rossiyskaya Gazeta*, 1 April 1994.

<sup>48</sup> *Rossiyskaya Gazeta*, 1 March 1995.

<sup>49</sup> *Sobraniye Zakonodatelstva Rossiyskoy Federatsii*, 11 September 1995, page 6782.

<sup>50</sup> *Rossiyskaya Gazeta*, 4 November 1994.

<sup>51</sup> *Rossiyskaya Gazeta*, 7 April 1993.

<sup>52</sup> *Sobraniye*, 26 June 1995, page 4678.

<sup>53</sup> ITAR-TASS, 10 March 1994.

<sup>54</sup> *Krasnaya Zvezda*, 12 August 1995; *Izvestiya*, 2 November 1995.

<sup>55</sup> *Krasnaya Zvezda*, 12 August 1995.

<sup>56</sup> *Izvestiya*, 2 November 1995.

<sup>57</sup> *Rossiyskaya Gazeta*, 4 November 1994.

<sup>58</sup> *Sobraniye*, 20 February 1995, pages 1222-24.

<sup>59</sup> *Rossiyskaya Gazeta*, 1 March 1995.

<sup>60</sup> *Rossiyskaya Gazeta*, 5 May 1995.

- <sup>61</sup> *Sobraniye*, 10 April 1995, page 2328.
- <sup>62</sup> *Sobraniye*, 26 June 1995, page 4678.
- <sup>63</sup> *Sobraniye*, 3 July 1995, pages 4892-97; *Moskovskiy Komsomolets*, 1 July 1995; *Rossiyskiye Vesti*, 5 July 1995.
- <sup>64</sup> *Sobraniye*, 14 August 1995, pages 6132-6145.
- <sup>65</sup> *Moskovskiy Komsomolets*, 11 October 1995.
- <sup>66</sup> *Sobraniye Aktov Prezidenta I Pravitelstva Rossiyskoy Federatsii*, No. 26, 26 June 1995.
- <sup>67</sup> *Rossiyskaya Gazeta*, 18 August 1995.
- <sup>68</sup> *Obshchaya Gazeta*, No. 40, 5-11 October 1995.
- <sup>69</sup> *Rossiyskaya Gazeta*, 8 February 1992.
- <sup>70</sup> According to Korzhakov in a 16 November 1994 *Nezavisimaya Gazeta* interview.
- <sup>71</sup> ITAR-TASS, 29 July 1995.
- <sup>72</sup> ITAR-TASS, 29 July 1995.
- <sup>73</sup> *Rossiyskaya Gazeta*, 1 August 1995.
- <sup>74</sup> *Izvestiya*, *Rossiyskiye Vesti*, 8 July 1995.
- <sup>75</sup> *Rossiyskaya Gazeta*, 7 July 1995.
- <sup>76</sup> *Radio Rossii*, 20 July 1995; ITAR-TASS, 24 July 1995.
- <sup>77</sup> *Rossiyskaya Gazeta*, 6 July 1995.
- <sup>78</sup> ITAR-TASS, Interfax, 20 June 1996.
- <sup>79</sup> Ekho Moskv, 19 June 1996, said it was at FSB headquarters.
- <sup>80</sup> Chubays in his 20 June 1996 press conference specified that Lisovskiy was not a member of the president's campaign staff "but has played an important role" in directing "several key projects within the presidential campaign. See ORT, 20 June 1996. According to 21 June 1996 *Segodnya*, Chubays called the two "key participants in Boris Yeltsin's election campaign."
- <sup>81</sup> Ekho Moskv, 20 June 1996.
- <sup>82</sup> Soskovets had been replaced as head of the president's campaign staff in March 1996.
- <sup>83</sup> ITAR-TASS, 20 June 1996.
- <sup>84</sup> RTV, 20 June 1996.
- <sup>85</sup> ORT, 20 June 1996.
- <sup>86</sup> Interfax, 20 June 1996.
- <sup>87</sup> ITAR-TASS, 20 June 1996.
- <sup>88</sup> Soskovets appointment was based on Korzhakov's recommendation, according to a 20 June 1996 ITAR-TASS report.
- <sup>89</sup> *Izvestiya*, 21 June 1996.
- <sup>90</sup> *Izvestiya*, 21 June 1996.
- <sup>91</sup> ORT, 20 June 1996.
- <sup>92</sup> ITAR-TASS, 20 June 1996; *Izvestiya*, 21 June 1996.
- <sup>93</sup> NTV, 20 June 1996.
- <sup>94</sup> *Segodnya*, 21 June 1996.
- <sup>95</sup> ORT, 20 June 1996.
- <sup>96</sup> *Radio Mayak*, 20 June 1996.
- <sup>97</sup> *Izvestiya*, 21 June 1996.
- <sup>98</sup> *Izvestiya*, 21 June 1996.
- <sup>99</sup> *Segodnya Izvestiya*, 21 June 1996; ORT, 20 June 1996.
- <sup>100</sup> NTV, 19 June 1996.
- <sup>101</sup> Interfax, 20 June 1996.
- <sup>102</sup> *Izvestiya*, 21 June 1996.
- <sup>103</sup> ORT, 20 June 1996; *Izvestiya*, 21 June 1996.
- <sup>104</sup> Interfax, 22 June 1996.
- <sup>105</sup> ITAR-TASS, 20 June 1996.
- <sup>106</sup> For example, Korzhakov blocked Ilyushin's access to Yeltsin during the president's October hospitalization and appeared to get his ally Nikolay Yegorov named leader of the president's Administration in January 1996, probably impinging on Ilyushin's influence.
- <sup>107</sup> Interfax, 20 June 1996.
- <sup>108</sup> *Izvestiya*, 21 June 1996.
- <sup>109</sup> *Segodnya*, 21 June 1996.
- <sup>110</sup> *Izvestiya*, 21 June 1996.
- <sup>111</sup> ITAR-TASS, 20 June 1996.
- <sup>112</sup> ORT, 20 June 1996.
- <sup>113</sup> According to a 20 June ITAR-TASS report at 0929 GMT and to the 21 June *Nezavisimaya Gazeta*, Yeltsin's talk with Chernomyrdin took place after the Security Council meeting, rather than before.
- <sup>114</sup> ITAR-TASS, 20 June 1996.
- <sup>115</sup> NTV, 20 June 1996.
- <sup>116</sup> *Rossiyskaya Gazeta*, 21 June 1996.
- <sup>117</sup> Interfax, 20 June 1996.
- <sup>118</sup> *Nezavisimaya Gazeta*, 21 June 1996.
- <sup>119</sup> *Rossiyskaya Gazeta*, 21 June 1996; *Nezavisimaya Gazeta*, 21 June 1996; ITAR-TASS, 20 June 1996.
- <sup>120</sup> *Rossiyskaya Gazeta*, 21 June 1996; *Nezavisimaya Gazeta*, 21 June 1996.
- <sup>121</sup> RTV, 20 June 1996.
- <sup>122</sup> Interfax, 20 June 1996.
- <sup>123</sup> NTV, 20 June 1996.
- <sup>124</sup> *Segodnya*, 21 June 1996.
- <sup>125</sup> Interfax, 20 June 1996.
- <sup>126</sup> *Segodnya*, 21 June 1996; *Nezavisimaya Gazeta*, 21 June 1996.
- <sup>127</sup> RTV, 20 June 1996.
- <sup>128</sup> ORT, 20 June 1996.
- <sup>129</sup> *Segodnya*, 21 June 1996; *Nezavisimaya Gazeta*, 21 June 1996.
- <sup>130</sup> *Izvestiya*, 21 June 1996.
- <sup>131</sup> ITAR-TASS, 20 June 1996.
- <sup>132</sup> *Komsomolskaya Pravda*, 21 June 1996.
- <sup>133</sup> Yeltsin renamed the Main Protection Director (GUO)



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the Federal Protection Service (Federalnaya Sluzhba Okrany—FSO). He named GUO Director Krapivin its chief in a 19 June 1996 edict. See *Rossiyskaya Gazeta*, 25 June 1996. He then merged the FSO and SBP into a single State Protection Service (Sluzhba Gosudarstvennoy Okhrany—SGO) in a 2 July 1996 edict (see Interfax, 4 July 1996) with Krapivin acting chief (see Moskovskiy Komsomolets, 5 July 1996).

<sup>134</sup> US Department of State statement, 15 August 1995.

<sup>135</sup> Interfax, 3 August 1998; Russkiy Telegraf, 28 July 1998.

<sup>136</sup> *Nezavisimaya Gazeta*, 28 July 1998.

<sup>137</sup> *Komsomolskaya Pravda*, 28 July 1998.

<sup>138</sup> Interfax, 3 August 1998.

<sup>139</sup> *Voice of Russia*, radio report, 7 August 2000.

<sup>140</sup> *Literaturnaya Gazeta*, No. 31.

<sup>141</sup> See FBIS Media Analysis, “Russia: Abramovich Now Top Oligarch, but His Goals, Intentions Remain a Puzzle,” 2 November 2000.

<sup>142</sup> Versiya, 24 April, 8 June, and 7 November 2001.

<sup>143</sup> Ibid, 25 May 2001.

<sup>144</sup> See FBIS Media Analysis, “Russia: ‘Black Hole’ in Economy Fended Off, but Real Reform Remains Elusive,” 24 April 2001.

<sup>145</sup> See FBIS Media Analysis, “Russia: Expanded Authority of Minister of Natural Resources Allows Kremlin to Court Foreign Investment Yet Favor Domestic Developers,” 14 November 2000.

<sup>146</sup> NTV, 16 June 2001, Kommersant, 18 June 2001.

<sup>147</sup> <Grani.ru>, 8 June and 18 June 2001.

<sup>148</sup> Moskovskiy Komsomolets, 18 June 2001.

<sup>149</sup> <Grani.ru>, 18 June 2001.

<sup>150</sup> Grani.ru, 18 June 2001.

<sup>151</sup> For more information on Levayev and Rudakov, see FBIS Media Analyses, “Russia: Émigré Diamond War Tycoon Creates Transnational ‘Verticl Cartel’,” 21 June 2000; “Russia: ‘Diamond War’ Reaches Kremlin, Could Awaken Putin’s ‘Ghosts’,” 13 February 2001; “Russia: Émigré Tycoon Said To Use Kremlin To Settle Scores With Gusinsky,” 22 February 2001; and “Russia: Hard-Pressed Diamond Monopoly Names Old Putin Foe as Point Man,” 2 April 2001.

<sup>152</sup> ORT, 19 June 2001.

<sup>153</sup> *Nezavisimaya Gazeta*, 19 June 2001. This newspaper was for some time considered the mouthpiece of oligarch Boris Berezovskiy but then began to hew to a more pro-Kremlin line, especially as Berezovskiy fell out with the Kremlin. Editor-in-chief Vitaliy Tretyakov, who often boasted of his editorial independence,

resigned on 6 June 2001 because of “political differences with owner Berezovskiy.”

<sup>154</sup> Ibid.

<sup>155</sup> Grani.ru, 18 June 2001.

<sup>156</sup> <Utro.ru>, 13 June 2001.

<sup>157</sup> *Rossiyskaya Gazeta*, 19 June 2001.

<sup>158</sup> Moskovskiy Komsomolets, 1 June 2001.

<sup>159</sup> Kommersant-Dengi, 6 June 2001.

<sup>160</sup> Kommersant-Dengi, 6 June 2001; Grani.ru, 8 June 2001; Rossiya, 5 June 2001; Gazeta.ru, 9 April 2001.

<sup>161</sup> Profil, 4 June 2001; Kommersant-Dengi, 6 June 2001.

<sup>162</sup> Smi.ru, 25 May 2001.

<sup>163</sup> Apn.ru, 18 June 2001.

<sup>164</sup> For more information on Zaostrovsev, see FBIS Media Analyses, “Russia: Black Hole in Economy Fended Off, but Real Reform Remains Elusive,” 24 April 2001; and “Russia: Growing Pressure on Procurator Bolsters Chances of ‘Mini-KGB’s Man,” 4 May 2001.

<sup>165</sup> SSR *Rossiyskaya Gazeta*, 28 November 1992, makes reference to “former head of Gokhran SSR Kozlov.” Kommersant-Dengi, 20 June 2001.

<sup>166</sup> Apn.ru, 25 June 2001.

<sup>167</sup> Trubnikov’s appointment was reported both in *Segodnya* and *Kommersant Daily* on 29 June 2000.

<sup>168</sup> A longtime veteran of the KGB, Mylnikov comes from St. Petersburg. During the Soviet period, he worked in the KGB’s 5th Chief Directorate, which was responsible for combating “hostile ideologies” and tracking down dissidents. Later he moved to Ekaterinburg and Stavropol. When Putin was still FSB director, he recreated the directorate for the protection of the constitutional order and named Mylnikov to be deputy chief. As deputy, Mylnikov played an active role in both Chechen campaigns and adopted a style that “Kommersant Daily” said marked him as “a real Andropovite.”

<sup>169</sup> Shebarshin’s comments appeared in *Rossiyskaya Gazeta* on 26 October 2000.

<sup>170</sup> RIA-Novosti, 1 November 2000.

<sup>171</sup> Profil, no.44.

<sup>172</sup> ITAR-TASS, 13 November 2000.

<sup>173</sup> *Vedimosti*, 15 November 2000.

<sup>174</sup> Grani.ru, 3 May 2001.

<sup>175</sup> Novye Izvestiya, 7 June 2001.

<sup>176</sup> Komok, 4 June 2001.

<sup>177</sup> Grani.ru, 18 June 2001.

<sup>178</sup> Strana.ru, 19 June 2001.

<sup>179</sup> *Segodnya*, 4 July 2000.

<sup>180</sup> *Segodnya*, 10 January 2001.

- <sup>181</sup> Hoffman, David, "In Russia, Spies Come in From Cold," *The Washington Post*, 8 December 2000.
- <sup>182</sup> RFE/RL Newline, 11 May 2000.
- <sup>183</sup> CPJ press release, 15 May 2000.
- <sup>184</sup> FRE/RL Newline, 12 May 2000.
- <sup>185</sup> Moskovskii Komsomolets, 13 May 2000.
- <sup>186</sup> In an interview with Ekho Moskvyy, 12 May 2000.
- <sup>187</sup> RFE/RL Newline, 16 May 2000.
- <sup>188</sup> *Kommersant-Daily*, 3 June 2000.
- <sup>189</sup> *RIA-Novosti*, 18 October 2000.
- <sup>190</sup> *Versiya*, No. 20.
- <sup>191</sup> *Kommersant*, 6 September 2000.
- <sup>192</sup> See "Radio Free Europe/PL Security Watch," No. 3, 7 August 2000.
- <sup>193</sup> *Vek*, No. 44, November 2000.
- <sup>194</sup> *Segodnya*, 11 November 2000.
- <sup>195</sup> Glasnost Defense Foundation Information Sector, 17 November 2000.
- <sup>196</sup> *Gazeta.ru*, 30 April 2001.
- <sup>197</sup> Copyright© 2000. RFE/RL, Inc. Reprinted with the permission of Radio Free Europe/Radio Liberty, 1201 Connecticut Avenue, NW, Washington, DC 20036. [Www.rferl.org](http://www.rferl.org). Victor Yasmann authored the article.
- <sup>198</sup> Copyright© 2000. RFE/RL, Inc. Reprinted with the permission of Radio Free Europe/Radio Liberty, 1201 Connecticut Avenue, NW, Washington, DC 20036. [Www.rferl.org](http://www.rferl.org). Victor Yasmann authored the article.
- <sup>199</sup> *Novye Izvestiya*, 29 November 2000.
- <sup>200</sup> *Izvestiya*, 1 June 2001.
- <sup>201</sup> *Vremya MN*, 1 June 2001.
- <sup>202</sup> *Argumenty I fakty*, No.22.
- <sup>203</sup> *Moscow Times*, 7 June 2001.
- <sup>204</sup> *Moskovskiy Komsomolets*, 12 January 2001.
- <sup>205</sup> *RIA-Novosti*, 4 June 2001.
- <sup>206</sup> Vladimir Lenin created the first Soviet secret police, the Extraordinary Commission or Cheka, just weeks after the October 1917 revolution, which brought the Communists to power in the Soviet Union. Joseph Stalin created a holiday called "the Day of the Chekist" to honor those who serve in the Soviet/Russian intelligence services. Officers in Moscow's variously named intelligence agencies proudly called themselves "Chekists" in honor of that first name.
- <sup>207</sup> See TASS, 20 December 2000; *Izvestiya*, 20 December 2000; and *Nezavisimaya Gazeta*, 20 December 2000.
- <sup>208</sup> *Izvestiya*, 27 February 2001.
- <sup>209</sup> *Christian Science Monitor*, 13 June 2001.
- <sup>210</sup> *Nezavisimoe voennoe obozrenie*, No. 16, 31 April 2001.
- <sup>211</sup> Lunev, Col. Stanislav, "Influences of Russia's Special Services Increase," NewsMax.com, 16 July 2001.
- <sup>212</sup> *Strana.ru*, 22 February 2001.
- <sup>213</sup> *ITAR-TASS*, 19 June 2001.
- <sup>214</sup> *Vremya MN*, 19 April 2001.
- <sup>215</sup> *Interfax*, 19 April 2001.
- <sup>216</sup> Vitaliy Potapov, "Navy Institute Employee Was 'Working got CIA,'" *TRUD*, 17 September 1996.
- <sup>217</sup> Oleg Odnokolenko, "How Much Do People Sell the Motherland For"?, *Segodnya*, 10 February 1999.
- <sup>218</sup> *RIA-Novosti*, 16 January 2001.
- <sup>219</sup> *Ekho Moskvyy*, 8 March 2001.
- <sup>220</sup> *Moscow Komsomolskaya Pravda*, 20 December 2000.
- <sup>221</sup> *Interfax*, 23 April 2001.
- <sup>222</sup> *Interfax*, 28 May 1999.
- <sup>223</sup> *Ibid.*
- <sup>224</sup> *Voice of America*, 8 February 1999.
- <sup>225</sup> Yevgeniya Lents, "Experts Rule Protocol in Pasko Spy Case Forged," *Itar-Tass*, 23 June 1999.
- <sup>226</sup> *Ekho Moskvyy*, 21 November 2000.
- <sup>227</sup> *NTV*, 23 July 2001.
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- <sup>229</sup> *Izvestiya*, 10 August 2000.
- <sup>230</sup> *ORT*, 20 September 2000.
- <sup>231</sup> *RIA-Novosti*, 27 September 2000.
- <sup>232</sup> Michale Steen, "Ailing U.S. Suspect Attends Russian Spy Hearing," *Reuters*, 2 November 2000.
- <sup>233</sup> *Segodnya*, 27 October 2000.
- <sup>234</sup> *ORT*, 15 November 2000.
- <sup>235</sup> Sharon La Franiere, "American Denies Buying Secrets," *The Washington Post*, 26 October 2000, p. A29.
- <sup>236</sup> *Rossiyskaya Gazeta*, 10 November 2000.
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- <sup>238</sup> *RIA-Novosti*, 6 December 2000.
- <sup>239</sup> *NTV*, 6 and 7 December 2000.
- <sup>240</sup> *Segodnya*, 7 December 2000.
- <sup>241</sup> *Moscow Times*, 7 December 2000.
- <sup>242</sup> *ORT television*, 6 December 2000.
- <sup>243</sup> John Mintz, "Unseen Perils in a Russian Squall," *The Washington Post*, 3 January 2001, p. A01.
- <sup>244</sup> *Moscow Komsomolskaya Pravda*, 20 December 2000.
- <sup>245</sup> Source: Keston Institute <http://www.keston.org>.
- <sup>246</sup> Aleksandr Khinshteyn, "Defense Industry Sleepy-Heads and FSK's Watchful Men," *Moskovskiy Komsomolets*, 15 May 1993, p. 3.
- <sup>247</sup> Radio Free Europe newline, 19 June 2000.
- <sup>248</sup> *Vremya novostei*, 6 September 2000.

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- <sup>249</sup> See Radio Free Europe/RL Security Watch, Vol. 2, No.8.
- <sup>250</sup> Interfax, 30 July 2001.
- <sup>251</sup> Moscow Interfax, 8 August 2001.
- <sup>252</sup> Pravda.ru, 11 June 2001, which cited *Vremya Novostei*.
- <sup>253</sup> Ekho Moskvyy radio Web site, [www.echo.msk.ru](http://www.echo.msk.ru), 13 June 2001.
- <sup>254</sup> Regions.ru, 13 June 2001.
- <sup>255</sup> Interfax, 7 June 2001.
- <sup>256</sup> *Nezavisimaya Gazeta*, 14 March 2001.
- <sup>257</sup> *Gazeta.ru*, 24 July 2000.
- <sup>258</sup> Interfax, 18 May 2001.
- <sup>259</sup> Regions.ru, 27 April 2001.
- <sup>260</sup> RIA-Novosti, 24 April 2001.
- <sup>261</sup> Andrey Poleshchuk, "Interview With SVR Director Vyacheslav Trubnikov," *Nezavisimaya Gazeta*, 18 December 1996, pp. 1-2; "Yeltsin Admits Russians Engage in Economic Espionage, Counterintelligence News and Digest, National Counterintelligence Center, Vol. 1, March 1996; Jeff Stein, "I, Spy Cold Warriors No More, Russian Spies Languish in Irrelevance."
- <sup>262</sup> *Rossiya*, 15 February 2001.
- <sup>263</sup> *Obshchaya Gazeta*, 30 April 2001.
- <sup>264</sup> ITAR-TASS, 26 March 2001.
- <sup>265</sup> *Vremya Novostei*, 23 March 2001.
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- <sup>267</sup> RFE/RL Newsline, 3 November 2000.
- <sup>268</sup> Moscow Izvestiya, 16 May 2001.
- <sup>269</sup> Moskovskiy Komsomolets, 7 March 2001.
- <sup>270</sup> Grani.ru, 5 April 2001.
- <sup>271</sup> Versiya, 2 April 2001, and Zhizn, 4 April 2001.
- <sup>272</sup> Krasnaya Zvezda, 14 April 2001.

## Vladimir Semichastny

Vladimir Semichastny, KGB chief from 1961 to 1967, died on 12 January 2001 in Moscow at the age of 78. Semichastny, born 1 January 1924, was first secretary of the Central Committee of the Komsomol from 1958 to 1959. He reportedly played an active role in the ouster of Nikita Khrushchev as first secretary of the Communist Party of the Soviet Union's Central Committee and chairman of the Council of Ministers. In 1961 he became KGB chairman when he was only 37 years old, but his short time in power had a mixed record. He was responsible for persecuting Russian dissidents Andrei Sinyavsky, Yuli Daniel, Boris Pasternak, and Josef Brodsky. Conversely, he not only helped catch CIA agent Oleg Penkovskiy, but also organized several "successful penetration operations" against Western intelligence services. In 1967, Soviet leader Leonid Brezhnev dismissed Semichastny from the KGB and demoted him to first deputy chairman of the Council of Ministers of the Ukrainian SSR.

## Ruth Werner

Ruth Werner, age 93, a lifelong communist who channeled atomic bomb secrets to the Soviets during World War II and handled some of Moscow's most notorious spies, died in July in Berlin. The reformed communist Party of Democratic Socialism (PDS), of which she was a member, announced her death.



Werner, who operated under the codename Sonya, gained the rank of colonel in the Red Army. As a Soviet spy in United Kingdom in the 1940s, Werner was a contact for Klaus Fuchs, a German-born scientist who had been given political asylum. Fuchs had contacted the Russians to say that he was working with a team of British physicists in the United States to build an atomic bomb. He was put in touch with Werner, also German-born, who had been part of the Soviet spy network for many years.

On Fuchs' return to the United Kingdom in 1945, where he worked on a British bomb, Werner was again his link to Moscow, and through her he passed information that helped the Russians design their hydrogen bomb. She returned to East Germany in 1950, the year Fuchs was jailed for 14 years in the United Kingdom for passing atomic secrets to Moscow.

In retrospect, it was rare for a woman to make spying her career. The famous female spies of World War II, such as Violette Szabo, were quickly recruited, often for their language skills, and had short brave lives before they were caught and killed by the Germans. By contrast, Werner was an agent for some 20 years.

Trained as a bookseller, Werner joined the German Communist Party at age 19. In 1930, Soviet master spy Richard Sorge recruited Werner in China after she moved to Shanghai with her first husband who was working as an architect. She later saw action as a radio operator in Manchuria, Poland, and Switzerland before joining forces with Fuchs.

Werner later found fame as an author, publishing her memoirs, entitled *Sonya's Report*, in 1977. She also wrote a novel, *An Unusual Girl*, and a biography of anti-Nazi resistance fighter Olga Benario. Even after the collapse of East Germany, which led to the reunification of the two Germanys in 1990, she stayed active in the PDS. She had three children.

The Soviet Union was always looking for apprentice spies, and Werner seemed to be a promising candidate. She was a woman of leisure, well spoken, and had been given a good education by her middle-class parents. For her new spymasters, all this counted in her favor. They were short of posh ladies. They told her to watch her appearance and to wear a hat. Years later, she was able to meld easily into an Oxford community, her neighbors never suspecting that the nice Ruth Werner was the conduit of the West's treasured secrets to an enemy.

Patience was one of the strengths of the Soviet Union's immensely successful spy network under Stalin. "Always I was given plenty of time," Werner recalled.